



City of Salem
CITY OF SALEM AND SALEM URA
FINANCE COMMITTEE
MEETING AGENDA
November 18, 2024 4:00 PM

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PARTICIPANTS

Board Members

Councilor Jose Gonzalez, Chair
Councilor Deanna Gwyn
Councilor Vanessa Nordyke
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Staff

Keith Stahley, City Manager
Krishna Namburi, Deputy City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Brian Martin, P.E., Public Works Director
Alicia Blalock, Assistant Director
Michele Bennett, Assistant Director
Jenny Mattechek, Chief Accountant
Kali Leinenbach, Budget Manager
Mirla Alvarez, Financial and Support Services Manager
Tammi Starrs, Engineering Admin Manager
Jeremy Morgan, Accounting Supervisor
Anja Hill, Treasury Supervisor
Kelli Blechschmidt, Management Analyst II
Shengnan Thomas, Administrative Analyst I

Guests

AGENDA

1. Welcome and call to order
2. Approval of Minutes
 - a. October 21, 2024 (Package page 3)

3. Public Comment - Appearance of persons wishing to address the Board on any matter other than those which appear on this Agenda
4. Action Items
 - a. Utility Fund Policy Amendment (**Package page 6**)
5. Management Update/Information Items
 - a. Quarterly Investment Report (FY 2024-25 1st quarter)
(**Package page 14**)
 - b. Capital Improvement Plan (CIP) Development Update
 - c. Self-funded Paid Leave Oregon Plan (**Package page 65**)
6. Continued Business
7. New Business
8. Adjourn

Next Scheduled Meeting: December 16, 2024

This meeting is being conducted virtually, with remote attendance by the governing body. No in-person attendance is possible. Interested persons may view the meeting online on [YouTube](#). To sign up to testify via Zoom or to submit public comment, contact the Finance Department via email at finance@cityofsalem.net or telephone at 503-588-6040 the day of the meeting by 1PM.

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (TTD/TTY 503-588-6439) at least two business days in advance.

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CITY OF SALEM AND SALEM URA FINANCE COMMITTEE

Minutes

DATE: October 21, 2024

PLACE: ZOOM / Traffic Control Room

CHAIRPERSON: Jose Gonzalez

STAFF LIAISON: Josh Eggleston, CFO 503-588-6130 JEggleston@cityofsalem.net

Members Present:

Councilor Jose Gonzalez, Chair – virtual
Councilor Micki Varney – virtual
Councilor Vanessa Nordyke (joined at 4:07pm)
Councilor Deanna Gwyn (joined at 4:11pm)
Alternate-Councilor Linda Nishioka

Members Absent:

Staff Present:

Keith Stahley, City Manager
Krishna Namburi, Deputy City Manager
Josh Eggleston, Chief Financial Officer
Dan Atchison, City Attorney
David Gerboth, Fire Chief
Courtney Knox Busch, Chief Strategy Officer
Kali Leinenbach, Budget Manager
Jenny Mattecheck, Chief Accountant – virtual
Anja Hill, Treasury supervisor – virtual
Kelli Blechschmidt, Management Analyst II – virtual
Shengnan Thomas, Administrative Analyst I

Guest Present:

Tammy Lohr-Schweitzer, Moss Adams – virtual
Councilor Elect Shane Matthews – virtual (joined at 4:35pm)

1. CALL TO ORDER: 4:05 PM / Quorum

2. APPROVAL OF COMMITTEE MINUTES

a. September 16, 2024

Motion was moved by Member Varney, seconded by Member Nishioka, and carried by the following vote:

Aye: Unanimous
Nay: None
Abstentions: None

3. PUBLIC COMMENT

a. None

4. ACTION ITEMS

a. None

5. MANAGEMENT UPDATE / INFORMATION ITEMS

a. Performance and Internal Audit Series Update by Moss Adams

Questions or comments by: Chair Gonzalez, Members Nordyke, Gwyn and Varney; David Gerboth, Fire Chief

Responses by: Keith Stahley, City Manager; Josh Eggleston, Chief Financial Officer; Dan Atchison, City Attorney; Courtney Knox Busch, Chief Strategy Officer; Tammy Lohr-Schweitzer, Moss Adams

Motion to add Information Technology Department and Urban Renewal Agency Department onto the FY 2025-2027 performance audit workplan

Motion was moved by Member Varney, seconded by Member Nordyke, and carried by the following vote:

Aye: Unanimous
Nay: None
Abstentions: None

b. Draft Five-Year Forecast Validation Scope

Questions or comments by: Chair Gonzalez; Members Nordyke and Varney

Responses by: Josh Eggleston, Chief Financial Officer; Courtney Knox Busch, Chief Strategy Officer

c. Preliminary Five-Year Forecast Assumptions

Questions or comments by: Members Nordyke, Varney, Gwyn and Nishioka

Responses by: Krishna Namburi, Deputy City Manager; Josh Eggleston,
Chief Financial Officer

6. CONTINUED BUSINESS

a. None

7. New Business

a. None

8. ADJOURNMENT: 5:01 PM

The next meeting is scheduled for Monday, November 18, 2024 at 4:00 PM.

DRAFT

TO: Finance Committee of the Salem City Council and the Urban Renewal Agency of the City of Salem

FROM: Josh Eggleston, Chief Financial Officer

SUBJECT: Fund financial policy for the Utility Fund.

ISSUE:

Shall the Finance Committee recommend to City Council adoption of the attached fund balance / reserve policy for the Utility Fund and establishing reserve requirements?

RECOMMENDATION:

Recommend to City Council adoption of the attached fund balance / reserve policy for the Utility Fund.

SUMMARY:

A fund financial policy helps ensure stability by guiding the maintenance of reserves to handle unexpected expenses and revenue fluctuations. It establishes clear rules for holding operating and capital reserves, boosting confidence among stakeholders and ensuring transparency in fund usage. Ultimately, such a policy promotes fiscal discipline, facilitates long-term planning, and strengthens the overall financial health of the fund.

FACTS AND FINDINGS:

Policy for consideration by the Finance Committee:
Utility Fund - Update to Council Policy C-14, since its adoption in 2014 and revision in 2024 (attachment 1)

BACKGROUND:

As with all operating funds, sound financial management practices include establishing the appropriate level of reserves / fund balances for the following reasons:

1. Plan for contingencies. There will always be unforeseen emergent issues potential or revenue shortfalls.
2. Maintain cash flow. The irregular cash flows of the Funds may cause negative balances during the fiscal year without adequate reserves in the beginning fund balance for each fund.
3. Stabilize services. Reserves can provide resources to support services during periods of increased expenditures or slow revenue growth.

The 'unrestricted days of cash' metric was first referenced in financial modeling during the 2022 utility rate setting cycle. As debt was retired, total reserves were decreasing in the Utility Fund. Another measure was needed to evaluate the financial forecast. Bond rating agencies use various metrics based on total days of cash or unrestricted days of cash to evaluate financial health. This measure was used again in 2024 and is

proposed for addition to Council Policy C-14 to ensure financial modeling maintains sufficient unrestricted cash balance to support a financially resilient operation.

Attachments:

1. Council Policy No. C-14 – Utility Fund Financial Policy (updated)

COUNCIL POLICY NO. C-14

TITLE: UTILITY FUND FINANCIAL POLICY

POLICY: See attached.

REFERENCE: City Council Finance Committee Report dated 3/17/14, Agenda Item No. 3a; Public Works and Administrative Services Staff Report dated April 14, 2014, Agenda Item No. 3.3 (f); City Council Finance Committee Report dated November 21, 2016, Agenda Item No. 4a; Finance Division Staff Report dated December 12, 2016, Agenda Item No. 3.2a, Finance Committee Staff Report dated 2/20/2024, Agenda Item No. 4.a., [Finance Committee Staff Report dated 11/18/2024, Agenda Item No. 4.a.](#)

Utility Fund Financial Policy

I. Introduction

Salem provides water, wastewater, and stormwater services to all Salem residents. In addition, Salem provides water and/or wastewater services to Keizer, Turner, and unincorporated areas of East Salem, Jan Ree, Orchard Heights, Eola/Chatnicka, and Labish. Meeting the funding needs for the maintenance and reinvestment in each system is critical.

II. Purpose

This policy establishes practices, which will guide forecasting, and rate proposal development for sound financial management of the Utility Fund (“the Fund”). To this end, this policy will include the establishment of operating and debt reserve levels, a subordinate debt coverage ratio, capital funding strategies, and a defined schedule for financial planning, modeling, and rate cases to support Fund management.

III. Scope

This policy applies to the Fund including water, wastewater, and stormwater utility revenue and other associated fees and charges.

IV. Related Financial Policies

Debt Management, City Council Policy C-2

Budget and Revenue Policies, City Council Policy C-8

General Fund Balance/Reserve Policy, City Council Policy C-11

V. Policy Statement

For the purposes of developing the biennial rate proposal and preparing the annual budget, the following shall be modeled and maintained in forecasting:

1. Debt Reserve shall be fully funded as required by the Master Water and Sewer System Revenue Bond Declaration and/or Policy.
2. Reserves for Full Faith and Credit obligations shall be funded at one year of outstanding debt service, equivalent to highest single year of total Full Faith and Credit debt service payment.
3. Operating Reserve equal to 120 days of operating expenditures shall be fully funded.
4. Parity and subordinate coverage ratios will be maintained as required by the Master Water and Sewer System Revenue Bond Declaration with calculations included in the

Annual Comprehensive Financial Report.

5. An expense ratio (expenditures/revenues) shall be maintained at or below 100 percent over the long-term. As long as financial projections stabilize or improve in future years, the Fund may use reserves in the short-term.

~~5.6.~~ Projected days of unrestricted cash at the end of each fiscal year shall remain above 150 days minimum with a goal of being above 175 days. The financial outlook shall be stable or improving from the current year through the next five years. The calculation shall be calculated as follows: the projected ending fund balance, less the annual debt payment(s), divided by the operating budget, multiplied by 365.

~~6.7.~~ Capital funding allocations are to increase over time as debt service is retired. The long-term goal is to increase annual funding for capital projects consistently until the level approaches one percent of total asset value.

~~7.8.~~ The Fund shall be managed either in aggregate with the revenue slope applied uniformly to each utility or separately, where a revenue slope for each utility service may be established independently.

~~8.9.~~ A financial plan and rate proposal shall be prepared and presented to Council biennially in even numbered years. A Cost of Service Analysis (COSA) update shall be prepared every four (4) years.

VI. Use of Contingency/Reserves (in usage order):

1. Contingency funds may be used for unanticipated expenditures that are either operating or capital in nature. When the contingency is sufficiently funded, most issues can be addressed without a supplemental budget.
2. Capital Reserve may be accumulated and used for a specified project purpose. Retention and identification of these funds as they are accumulated provides transparency in financial planning efforts.
3. Operating Reserve is held as a best practice and to enhance bond ratings. The City of Salem includes the amount reserved for rate stabilization in the calculation (120 days of operating expenditures) of total Operating Reserves. The Operating Reserve may be used when consumption declines, or there is a revenue shortfall so significant that net revenue (after operating expenditures) is insufficient to meet debt coverage requirements as stated in the Master Water and Sewer System Revenue Bond Declaration. The Operating

Reserve may be used in lieu of an immediate mandatory rate increase.

4. A Debt Reserve is established for payment of the final year of debt service based on the amount specified in the debt service schedule; usually calculated as the highest year of annual debt service. The purpose is to protect bondholders from an insufficiency of funds to pay debt service resulting from a sharp decline in consumption or revenue. For the protection of the General Fund, this policy establishes the requirement of a debt reserve for full faith and credit debt equivalent to the highest annual payment of this debt.

Glossary

Beginning Working Capital—Funds available at the beginning of a fiscal year representing the sum of debt reserves (both required by covenant and by policy), operating reserves, capital construction reserves, unused contingency, and unrestricted fund balance. These resources may or may not be budgeted for expenditure.

Capital Reserve—Accumulation of funds for a capital project(s). Funds may be held in the capital reserve until project(s) are budgeted and undertaken. The capital reserve shall not exceed one percent of the asset value. It is the Public Works Department's practice to retain unused capital funds in the Utility Fund rather than in a construction fund.

Contingency—Budgeted funds available during the fiscal year, with the approval of City Council, for unanticipated expenditures.

Cost of Service Analysis (COSA) – The process of determining the cost of providing utility service to each of the defined customer classifications. This includes the functionalization and allocation of system revenue requirements followed by the distribution of costs by customer classification based on usage, peak demands, and customer-related costs for which each class of service is responsible.

Coverage Ratio—Calculation comparing net revenue (total revenue less operating expenditures) to total annual debt service on parity bonds. $\text{Net revenue/parity debt service} = 1.25$ minimum as required by the Master Water and Sewer System Revenue Bond Declaration adopted resolution of City Council.

Debt Reserve—Amount, equivalent to highest single year of total debt service payment, to be set aside for debt service on revenue bonds in the event of a revenue shortfall. The reserve ensures a year of payments is available until a rate increase, or other financial solution, may be implemented to balance the fund. Debt reserve requirements are typically stated in the Master Water and Sewer System Revenue Bond Declaration.

Full Faith and Credit—Bonds issued by the City of Salem on behalf of the Fund and backed by the General Fund. Although identified as an obligation of the Fund, the Master Water and Sewer System Revenue Bond Declaration does not require a debt reserve for this obligation.

Master Water and Sewer System Revenue Bond Declaration—Legal document approved by City Council governing conditions for the sale of utility revenue bonds. The document establishes debt reserves, rate stabilization reserves, coverage ratios, and requirements for the issuance of additional debt.

Operating Reserve—Funds equal to 120 days of the annual operating expenditure budget. A 120-day reserve is considered “good” by rating agencies and should be sufficient in case of an emergency need for additional funds. The calculation does not include capital outlay, debt service, or contingencies. Operating Reserve includes Rate Stabilization Reserves as required by the Master Water and Sewer System Revenue Bond Declaration.

Parity Debt—Debt that has a first priority requirement to be paid with net revenue.

Rate Stabilization Reserve—The amount established in the Master Water and Sewer System Revenue Bond Declaration to be used in case net revenue is insufficient to meet debt coverage requirements. Per the Master Water and Sewer System Revenue Bond Declaration, if Rate Stabilization Reserve funds are required and used, the funds will be reclassified as revenue.

Rates—Individual fees and charges for each utility service based on customer class and service area. Annual rate adjustments for each fee may not match the overall revenue slope identified for the Fund.

Revenue Bond—Long term debt issued by the Fund and backed by utility sales revenue.

Revenue Slope—Projected change in combined revenue from all sources in the Fund.

Subordinate Debt—All debt other than Parity Debt, including loans or other obligations such as Full Faith and Credit bonds backed by the General Fund and issued on behalf of the Fund.

Total Debt Ratio—Net revenue less parity debt service divided by total subordinate debt service.

Unrestricted Fund Balance—Amount of fund balance or beginning working capital not specified for expenditure or reserves including debt reserve, capital reserve, operating reserve, or rate stabilization reserve.



CITY OF SALEM, OR

Investment Performance Review For the Quarter Ended September 30, 2024

Client Management Team

Lauren Brant, Managing Director
Allison Kaune, Senior Analyst
Robert Cheddar, CFA, Managing Director

PFM Asset Management LLC

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Agenda

- Market Summary
- Account Summary
- Portfolio Review
- ESG Overview
- Portfolio Holdings and Transactions

Market Update

Summary

- ▶ Economic performance in the third quarter of 2024 continued to support a soft-landing outlook for the U.S. economy, underpinned by historically low unemployment, resilient consumer spending, record household wealth and a supportive Federal Reserve (Fed). Inflation continued to make progress towards the Fed's 2% target, while the labor market cooled from its formerly overheated state. This prompted the Fed to acknowledge that the risks on both sides of its dual mandate – stable prices and full employment – were now “roughly in balance.”
- ▶ The Fed cut the overnight policy rate by 50 bps (0.50%) to a new target range of 4.75% to 5.00% at its September 18 meeting, marking the first rate cut in over four years. Furthermore, the Fed's updated “dot plot” implied an additional 50 bps of rate cuts through the balance of 2024 and 100 bps of cuts in 2025. The Fed expects to reach the longer run “neutral” policy rate of 2.875% by the end of 2026.
- ▶ While the bond market priced in much of the Fed's forecasted rate trajectory into lower long-term bond yields, the equity and credit markets remained priced for a soft landing as positive sentiment and investor confidence continued to buoy risk asset valuations. Equity markets surged ahead in Q3. The S&P 500 Index returned 5.9% in the quarter, bringing YTD returns to 22.1%. In a reversal of the first half of the year, market strength broadened out as the Russell 2000 small cap index outperformed the S&P 500, returning 9.3% for the quarter. The NASDAQ also lagged, returning just 2.8% for the quarter. U.S. Treasury yields plunged in Q3, embracing the Fed's expected rate cutting cycle, which supported strong bond market performance.

Economic Snapshot

- ▶ U.S. inflation readings continued to make progress toward the Fed's 2% target as both headline CPI (2.5%) and Core CPI (3.2%) ended the quarter at their lowest levels in over three years. Housing costs remain elevated, however, as shelter inflation at 5.2% year-over-year is roughly double the 2.6% average in the decade preceding the pandemic.
- ▶ U.S. Real GDP growth ramped up in Q2, with the third and final estimate reporting growth of 3.0%, nearly double the rate of the previous quarter. The main contributors of the increase were a surge in private inventories and an acceleration in consumer spending that were partially offset by a downturn in residential housing and weaker net exports.
- ▶ The U.S. labor market added an average of 186,000 jobs per month in Q3, which was a rebound from Q2's relatively weak reading of 147,000 per month. Additionally, the unemployment rate ended the quarter at 4.1%, flat for the quarter but up from 3.7% at the beginning of the year. While the pace of expected hirings has gradually slowed, layoff rates have remained near multi-year lows and weekly jobless claims are firmly below their long-term averages indicating the labor market remains healthy.

Interest Rates

- ▶ The market spent most of the quarter preparing for the first rate cut in September, after the Fed noted in July that the risks to jobs and prices have come into better balance. The Fed delivered the much-anticipated interest rate cut at its September meeting and reduced the overnight rate by 50 bps, which was on the high side of expectations.
- ▶ U.S. Treasury yields fell sharply throughout Q3, reflecting the imminent outset of the Fed's cutting cycle. The yield on the 2-, 5-, and 10-year U.S. Treasuries ended the quarter at 3.64%, 3.56%, and 3.78%, respectively. This represented decreases of 111 bps, 82 bps, and 62 bps, respectively.
- ▶ After spending a record amount of time inverted, the yield curve steepened (as measured by the yield difference between the 2- and 10-year U.S. Treasury notes) and dis-inverted for the first time since July 2022.
- ▶ As a result of lower yields, U.S. Treasury indices generated strong total returns for the quarter. The ICE BofA 2-Year and 5-Year U.S. Treasury indices returned 2.85% and 4.41% respectively, while the 10-Year U.S. Treasury index returned 5.73% for the quarter.

Sector Performance

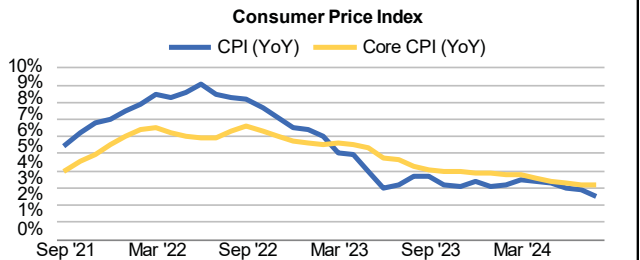
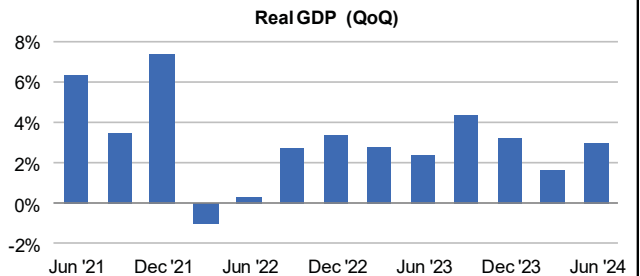
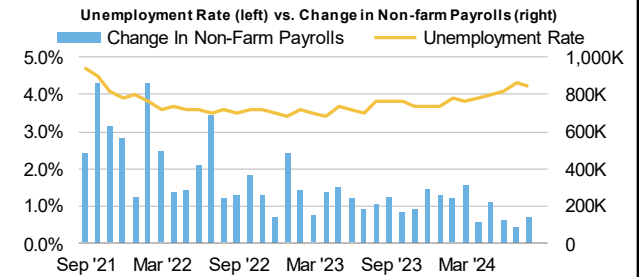
- ▶ Sustained investor appetite continued to pressure yield spreads toward near multi-year lows across most investment grade sectors throughout Q3, resulting in firmly positive excess returns on the corporate and mortgage-related sectors.
- ▶ Federal agency and supranational spreads remained low and rangebound throughout Q3. These sectors produced muted excess returns relative to other investment grade fixed income sectors as issuance remained quite light and the incremental income from the sectors was near zero.
- ▶ Investment-grade (IG) corporates posted a strong quarter as sustained high issuance carried over from Q1 and Q2 was well-absorbed by robust investor demand. As a result, spreads ended the quarter very near their two-year lows. From an excess return perspective, lower-quality and longer-duration issuers generally outperformed. Performance of financial and banking issuers once again led most other industries across most of the yield curve during the quarter.
- ▶ Most mortgage-related sectors were top of class performers during Q3 as spreads continued to test 12-month lows. Agency-backed mortgages rebounded soundly in Q3 following an underwhelming Q2. Declining mortgage rates and a somewhat more positive outlook in the housing market provided a tailwind for the sector during the quarter.
- ▶ Unlike corporates, AAA-rated asset-backed securities (ABS) generated muted excess returns for the quarter as spreads remained modestly elevated for both automobile and credit card collateral. Attractive incremental income from the sector helped offset modest price declines for the quarter.

Economic Snapshot

Labor Market	Latest	Jun '24	Sep '23	
Unemployment Rate	Aug '24	4.2%	4.1%	3.8%
Change In Non-Farm Payrolls	Aug '24	142,000	118,000	246,000
Average Hourly Earnings (YoY)	Aug '24	3.8%	3.8%	4.5%
Personal Income (YoY)	Aug '24	5.6%	5.8%	5.4%
Initial Jobless Claims (week)	9/28/24	225,000	239,000	216,000

Growth	Latest	Jun '24	Sep '23	
Real GDP (QoQ SAAR)	2024Q2	3.0%	1.6% ¹	2.4% ²
GDP Personal Consumption (QoQ SAAR)	2024Q2	2.8%	1.9% ¹	1.0% ²
Retail Sales (YoY)	Aug '24	2.1%	2.0%	4.2%
ISM Manufacturing Survey (month)	Sep '24	47.2	48.5	48.6
Existing Home Sales SAAR (month)	Aug '24	3.86 mil.	3.90 mil.	3.98 mil.

Inflation/Prices	Latest	Jun '24	Sep '23	
Personal Consumption Expenditures (YoY)	Aug '24	2.2%	2.4%	3.4%
Consumer Price Index (YoY)	Aug '24	2.5%	3.0%	3.7%
Consumer Price Index Core (YoY)	Aug '24	3.2%	3.3%	4.1%
Crude Oil Futures (WTI, per barrel)	Sep 30	\$68.17	\$81.54	\$90.79
Gold Futures (oz.)	Sep 30	\$2,636	\$2,340	\$1,848



1. Data as of First Quarter 2024.

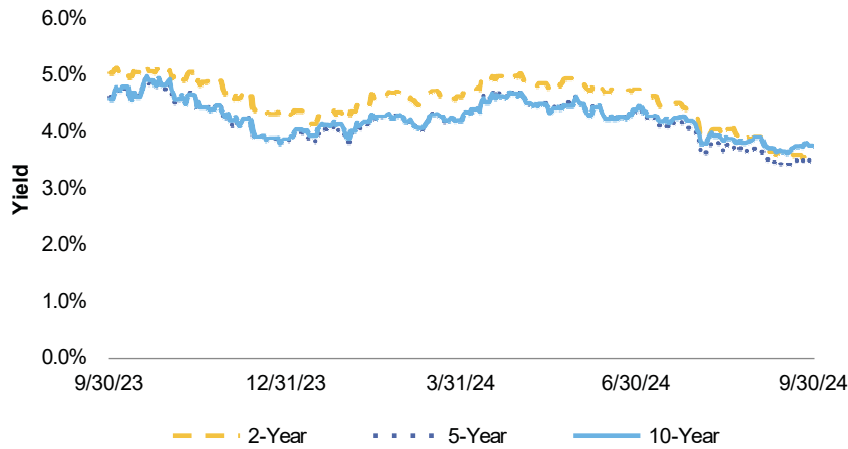
2. Data as of Second Quarter 2023.

Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

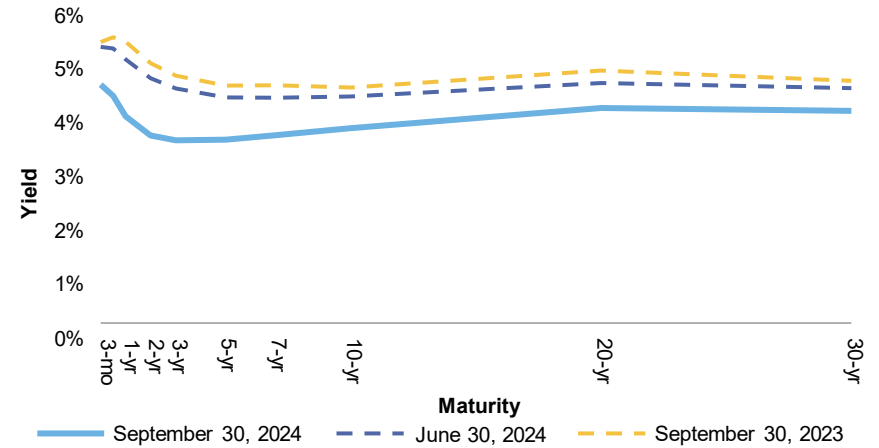
Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



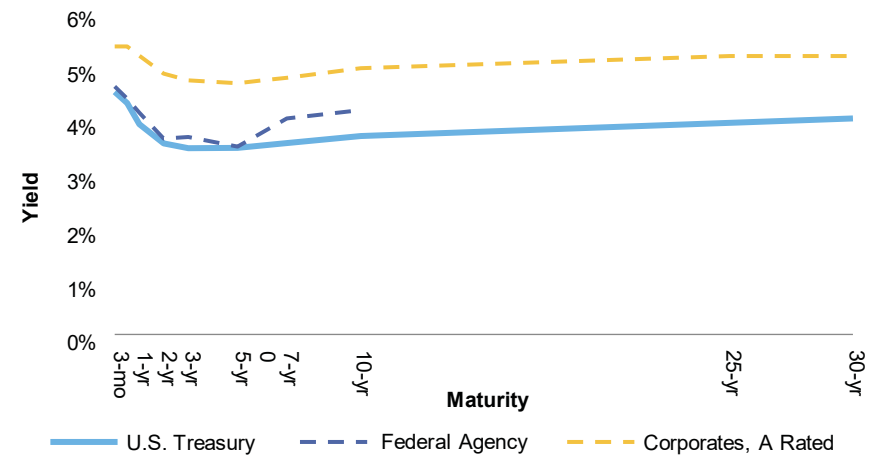
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Sep '24	Jun '24	Change over Quarter	Sep '23	Change over Year
3-Month	4.63%	5.36%	(0.73%)	5.45%	(0.82%)
1-Year	4.01%	5.12%	(1.11%)	5.46%	(1.45%)
2-Year	3.64%	4.76%	(1.12%)	5.05%	(1.41%)
5-Year	3.56%	4.38%	(0.82%)	4.61%	(1.05%)
10-Year	3.78%	4.40%	(0.62%)	4.57%	(0.79%)
30-Year	4.12%	4.56%	(0.44%)	4.70%	(0.58%)

Yield Curves as of September 30, 2024



Source: Bloomberg.

ICE BofAML Index Returns

September 30, 2024	As of 09/30/2024		Returns for Periods ended 09/30/2024		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.83	3.70%	2.87%	6.74%	1.33%
Federal Agency	1.46	3.80%	2.52%	6.68%	1.42%
U.S. Corporates, A-AAA rated	1.86	4.27%	3.18%	8.16%	2.00%
Agency MBS (0 to 3 years)	1.41	4.63%	2.70%	7.77%	1.06%
Taxable Municipals	2.01	4.09%	2.78%	7.18%	1.81%
1-5 Year Indices					
U.S. Treasury	2.59	3.65%	3.39%	7.44%	0.76%
Federal Agency	1.91	3.72%	2.77%	7.04%	0.85%
U.S. Corporates, A-AAA rated	2.54	5.13%	0.97%	5.75%	0.26%
Agency MBS (0 to 5 years)	2.33	4.61%	3.72%	9.89%	0.43%
Taxable Municipals	2.51	4.09%	3.23%	7.63%	1.17%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.38	3.78%	4.84%	9.93%	(1.89%)
Federal Agency	3.38	3.79%	3.51%	8.49%	0.07%
U.S. Corporates, A-AAA rated	7.00	4.58%	5.73%	13.38%	(1.22%)
Agency MBS (0 to 30 years)	5.12	4.50%	5.54%	12.37%	(1.21%)
Taxable Municipals	9.13	4.76%	5.66%	13.63%	(3.04%)

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.

Disclosures

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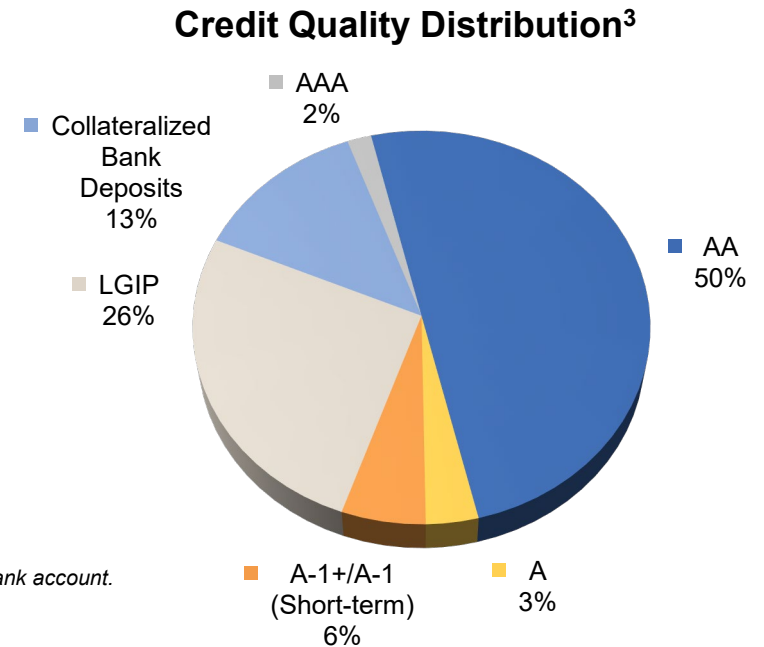
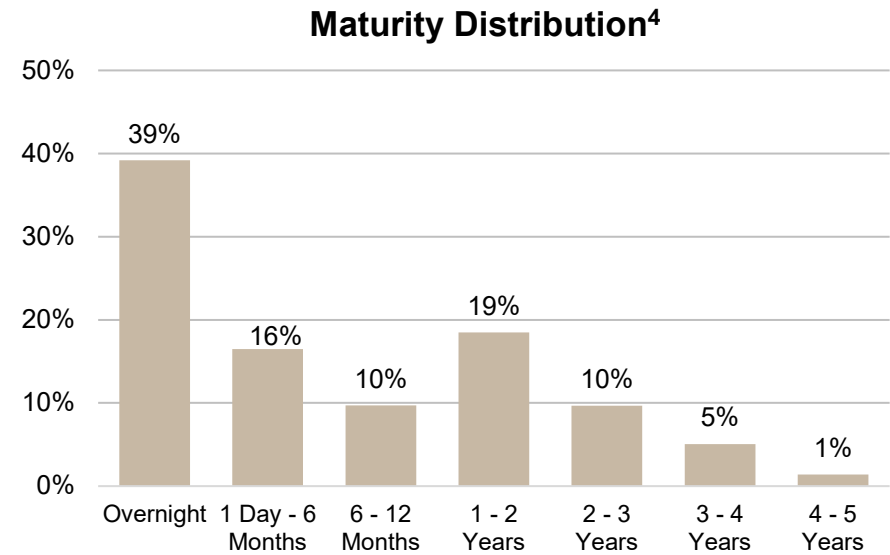
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Account Summary

The portfolio is in compliance with applicable state statutes and the City’s Investment Policy C-7.

Quarter Ended September 30, 2024 – 3Q24 ¹	
Quarterly Summary	
Market Value (MV)	\$439,302,956
Amortized Cost	\$439,148,781
Portfolio Yield on Cost	3.74%
Weighted Average Maturity	0.89 years
Cash Basis Earnings for Quarter ²	\$3,392,379
Accrual Basis Earnings for Quarter ²	\$2,710,747
Quarterly Change	
Amortized Cost – 3Q24	\$439,148,781
Beginning MV – 2Q24	\$454,282,926
Net Contributions	(\$36,642,970)
Change in Cash	\$14,081,456
Change in MV	\$7,581,544
Ending MV – 3Q24	\$439,302,956

Sector Distribution ¹				
Sector	Amortized Cost	Market Value	% of Portfolio	Allowed by Policy
U.S. Treasuries	\$202,940,689	\$203,060,814	46%	100%
Federal Agencies	\$9,296,702	\$9,112,206	2%	100%
Corporate Notes	\$54,734,618	\$54,953,165	13%	35%
LGIP	\$114,950,388	\$114,950,388	26%	ORS limit
Collateralized Deposit Accounts	\$57,226,383	\$57,226,383	13%	100%
Total	\$439,148,781	\$439,302,956	100%	



1. Combined portfolio includes funds in the PFMAM-managed portfolios, funds in the Oregon LGIP, and the City’s U.S. Bank account.

Portfolio values are as of September 30, 2024, and exclude accrued interest on the PFMAM-managed funds.

2. Excludes earnings on LGIP and deposit accounts.

3. Ratings by Standard & Poor’s (S&P).

4. Callable securities are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Account Summary

CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Values	<u>September 30, 2024</u>	Analytics ¹	<u>September 30, 2024</u>
PFMAM Managed Account	\$191,196,775	Yield at Market	3.96%
Amortized Cost	\$191,539,742	Yield on Cost	3.20%
Market Value	\$191,196,775	Portfolio Duration	1.67
Accrued Interest	\$782,358		
Cash	\$0		

CITY OF SALEM SHORT TERM PORTFOLIO

Portfolio Values	<u>September 30, 2024</u>	Analytics ¹	<u>September 30, 2024</u>
PFMAM Managed Account	\$24,808,275	Yield at Market	5.28%
Amortized Cost	\$24,798,990	Yield on Cost	4.91%
Market Value	\$24,808,275	Portfolio Duration	0.17
Accrued Interest	\$0		
Cash	\$0		

CITY OF SALEM COMMUNITY IMPROVEMENT

Portfolio Values	<u>September 30, 2024</u>	Analytics ¹	<u>September 30, 2024</u>
PFMAM Managed Account	\$51,121,134	Yield at Market	4.31%
Amortized Cost	\$50,633,276	Yield on Cost	5.27%
Market Value	\$51,121,134	Portfolio Duration	0.84
Accrued Interest	\$360,387		
Cash	\$0		

1. Yield at market, yield on cost, and portfolio duration only include investments held within the separately managed account(s), excludes balances invested in overnight funds.

Certificate of Compliance

During the reporting period for the quarter ended September 30, 2024, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

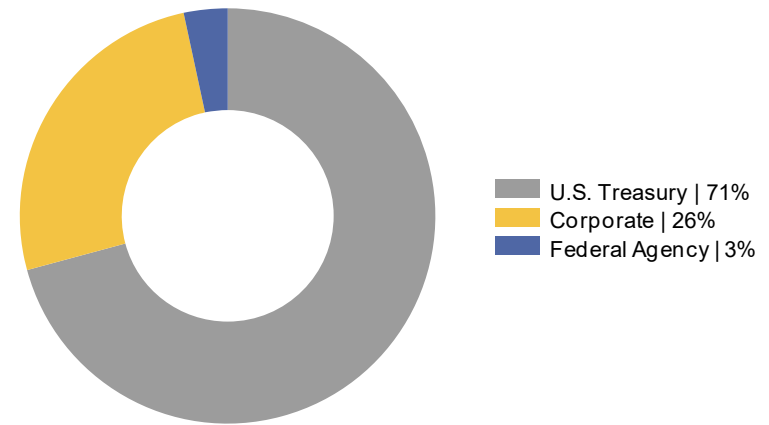
Portfolio Review:
CITY OF SALEM LONG-TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM LONG-TERM PORTFOLIO¹

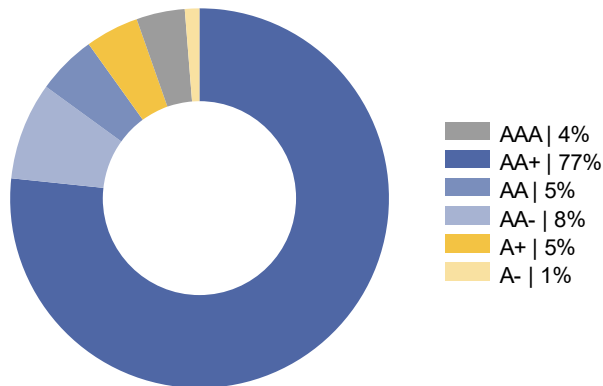
Portfolio Statistics

Total Market Value	\$191,979,133.54
<i>Securities Sub-Total</i>	\$191,196,775.43
<i>Accrued Interest</i>	\$782,358.11
<i>Cash</i>	\$0.00
Portfolio Effective Duration	1.67 years
Benchmark Effective Duration	2.53 years
Yield At Cost	3.20%
Yield At Market	3.96%
Portfolio Credit Quality	AA

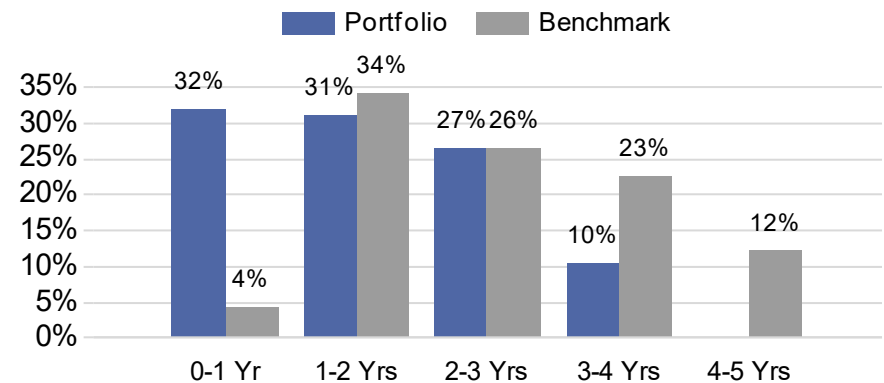
Sector Allocation



Credit Quality - S&P



Duration Distribution



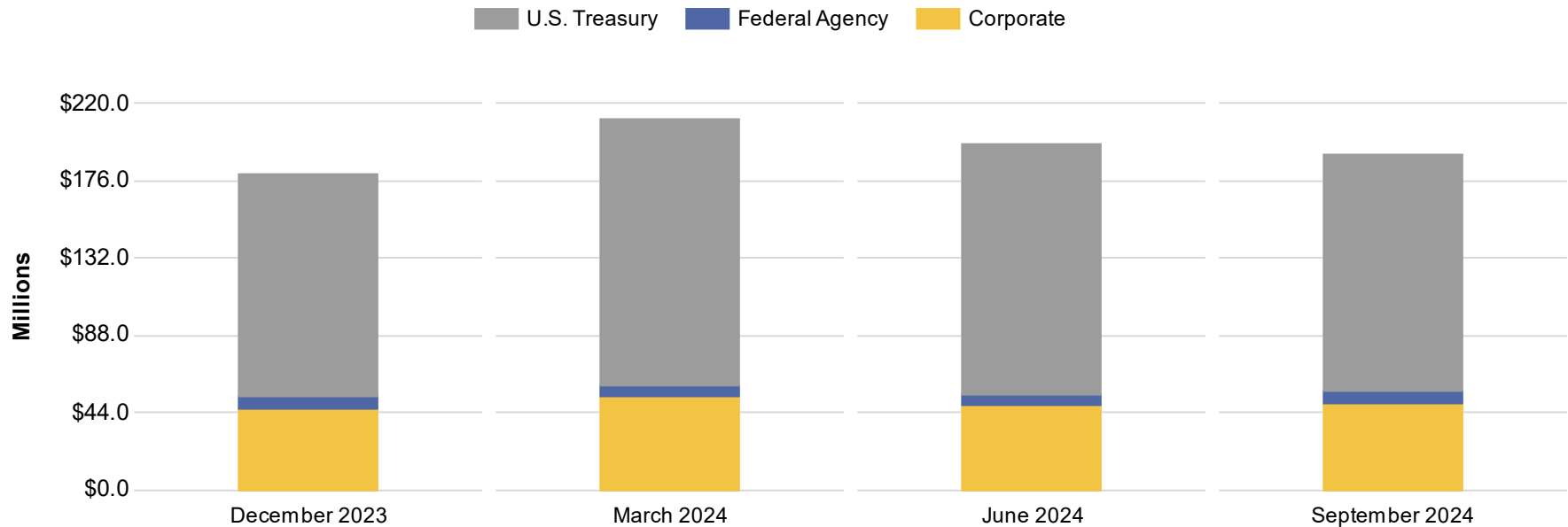
Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest.

¹ The portfolio's benchmark is currently the ICE BofA 1-5 Year U.S Treasury Index. Prior to 12/31/19 is was the 1-3 Year U.S Treasury Index. Prior to 6/30/16 it was the ICE BofA 0-3 Year U.S Treasury Index
Source: Bloomberg Financial LP.

An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Review - CITY OF SALEM LONG-TERM PORTFOLIO

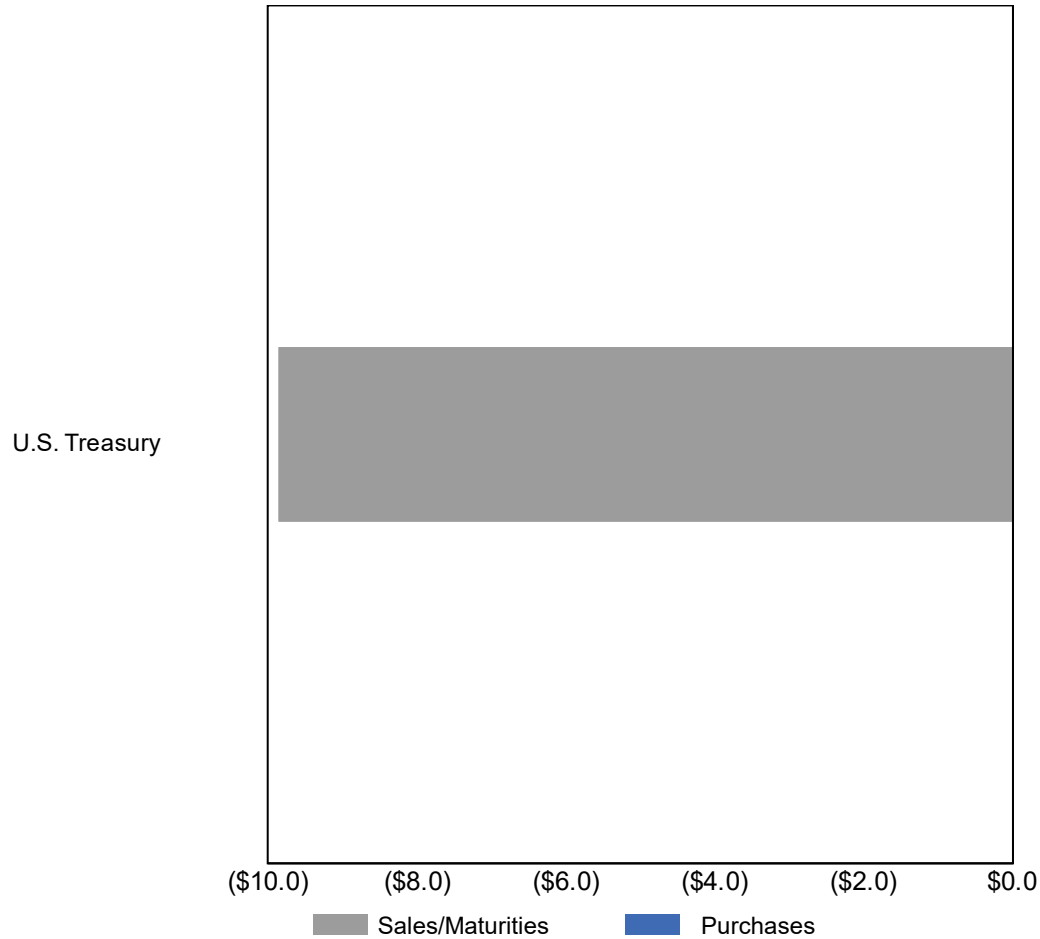
Security Type	Dec-23	% of Total	Mar-24	% of Total	Jun-24	% of Total	Sep-24	% of Total
U.S. Treasury	\$126.7	70.6%	\$151.5	71.9%	\$142.3	72.3%	\$135.3	70.8%
Federal Agency	\$6.3	3.5%	\$6.3	3.0%	\$6.4	3.3%	\$6.5	3.4%
Corporate	\$46.5	25.9%	\$53.0	25.1%	\$48.0	24.4%	\$49.4	25.8%
Total	\$179.5	100.0%	\$210.9	100.0%	\$196.7	100.0%	\$191.2	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - CITY OF SALEM LONG-TERM PORTFOLIO

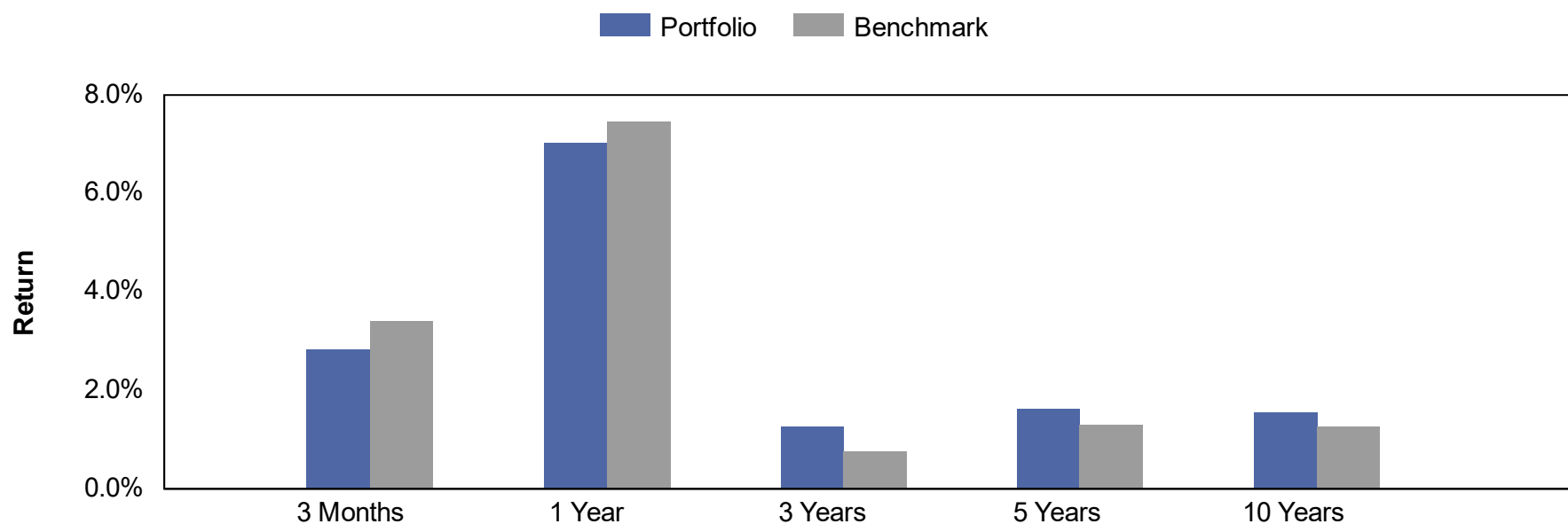
Net Activity by Sector
(\$ millions)



Sector	Net Activity
U.S. Treasury	(\$9,850,000)
Total Net Activity	(\$9,850,000)

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Portfolio Performance - CITY OF SALEM LONG-TERM PORTFOLIO



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	10 Years
Interest Earned ²	\$1,159,204	\$3,852,195	\$8,669,590	\$15,172,847	\$23,178,948
Change in Market Value	\$4,359,600	\$9,162,819	(\$835,288)	\$520,037	\$1,393,907
Total Dollar Return	\$5,518,804	\$13,015,014	\$7,834,302	\$15,692,884	\$24,572,855
Total Return³					
Portfolio	2.81%	7.01%	1.26%	1.64%	1.56%
Benchmark ⁴	3.39%	7.44%	0.76%	1.31%	1.26%

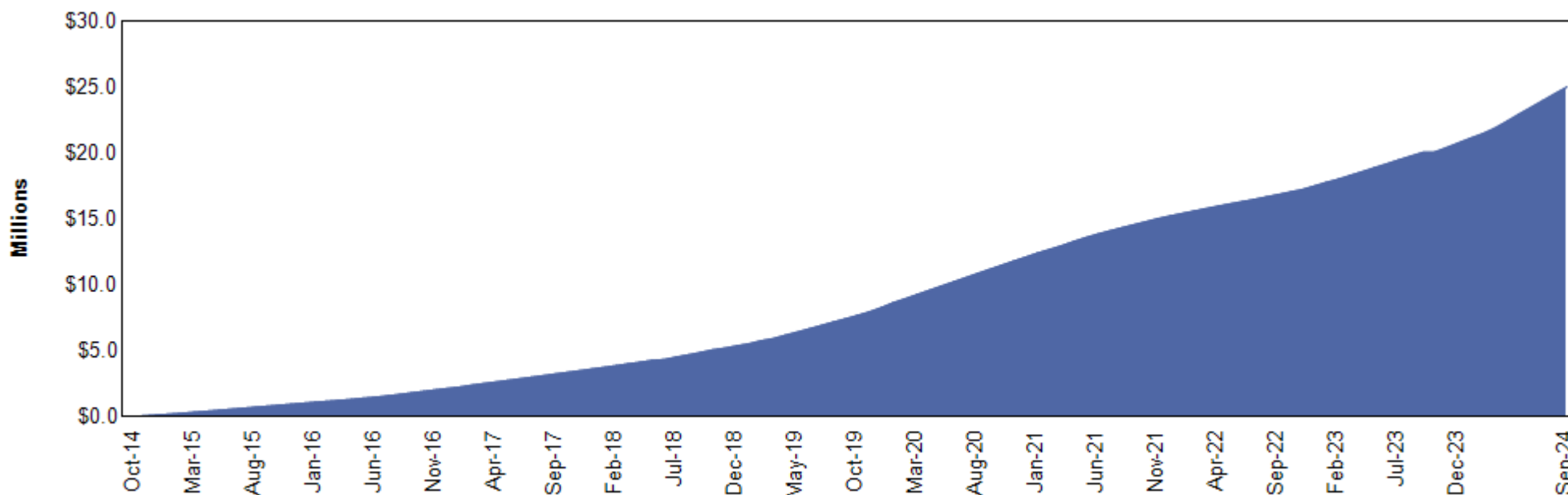
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2012.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is currently the ICE BofA 1-5 Year U.S Treasury Index. Prior to 12/31/19 it was the 1-3 Year U.S Treasury Index. Prior to 6/30/16 it was the ICE BofA 0-3 Year U.S Treasury Index. Source: Bloomberg Financial LP.

Accrual Basis Earnings - CITY OF SALEM LONG-TERM PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year ¹
Interest Earned ²	\$1,159,204	\$3,852,195	\$8,669,590	\$15,172,847	\$23,178,948
Realized Gains / (Losses) ³	-	(\$260,242)	(\$231,192)	(\$51,149)	(\$379,548)
Change in Amortized Cost	\$387,798	\$1,373,855	\$2,004,881	\$2,463,219	\$2,219,176
Total Earnings	\$1,547,003	\$4,965,808	\$10,443,278	\$17,584,917	\$25,018,577

1. The lesser of 10 years or since inception is shown. Performance inception date is December 31, 2012.
 2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
 3. Realized gains / (losses) are shown on an amortized cost basis.

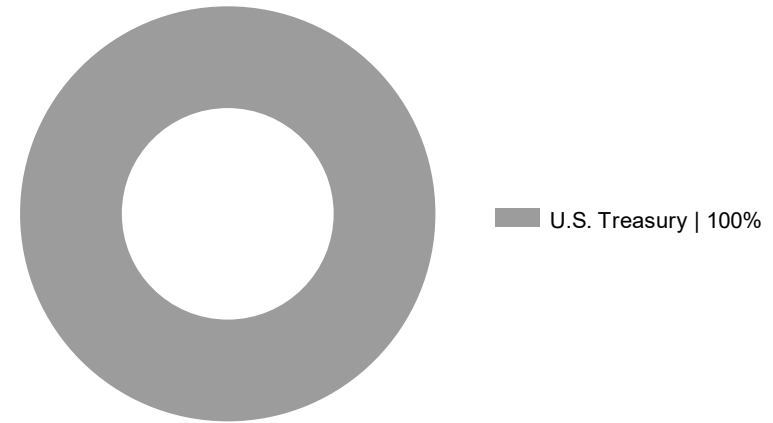
Portfolio Review:
CITY OF SALEM SHORT TERM PORTFOLIO

Portfolio Snapshot - CITY OF SALEM SHORT TERM PORTFOLIO¹

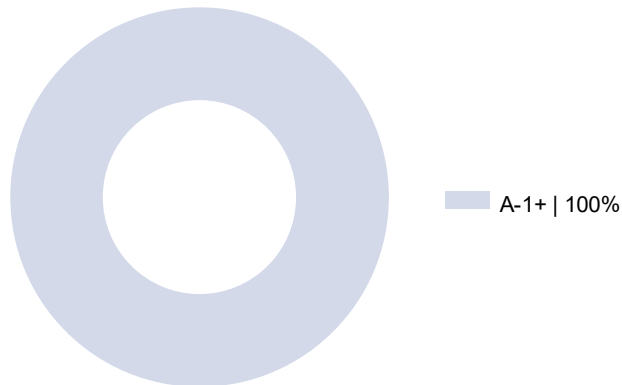
Portfolio Statistics

Total Market Value	\$24,808,275.00
<i>Securities Sub-Total</i>	\$24,808,275.00
<i>Accrued Interest</i>	\$0.00
<i>Cash</i>	\$0.00
Portfolio Effective Duration	0.17 years
Yield At Cost	4.91%
Yield At Market	5.28%
Portfolio Credit Quality	AA

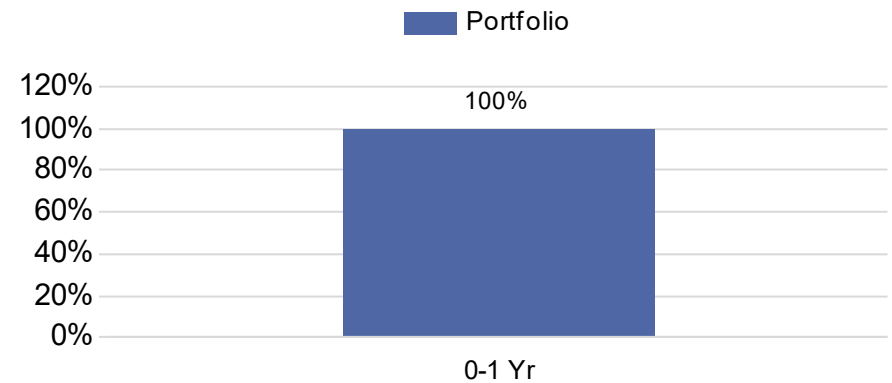
Sector Allocation



Credit Quality - S&P



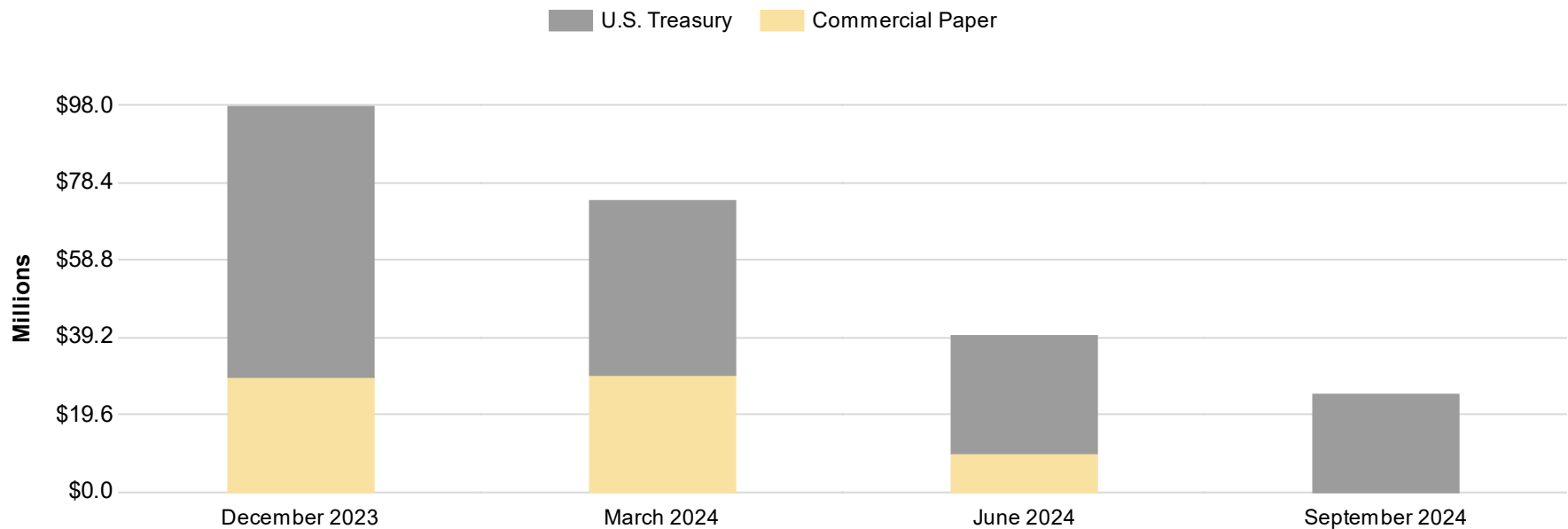
Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Review - CITY OF SALEM SHORT TERM PORTFOLIO

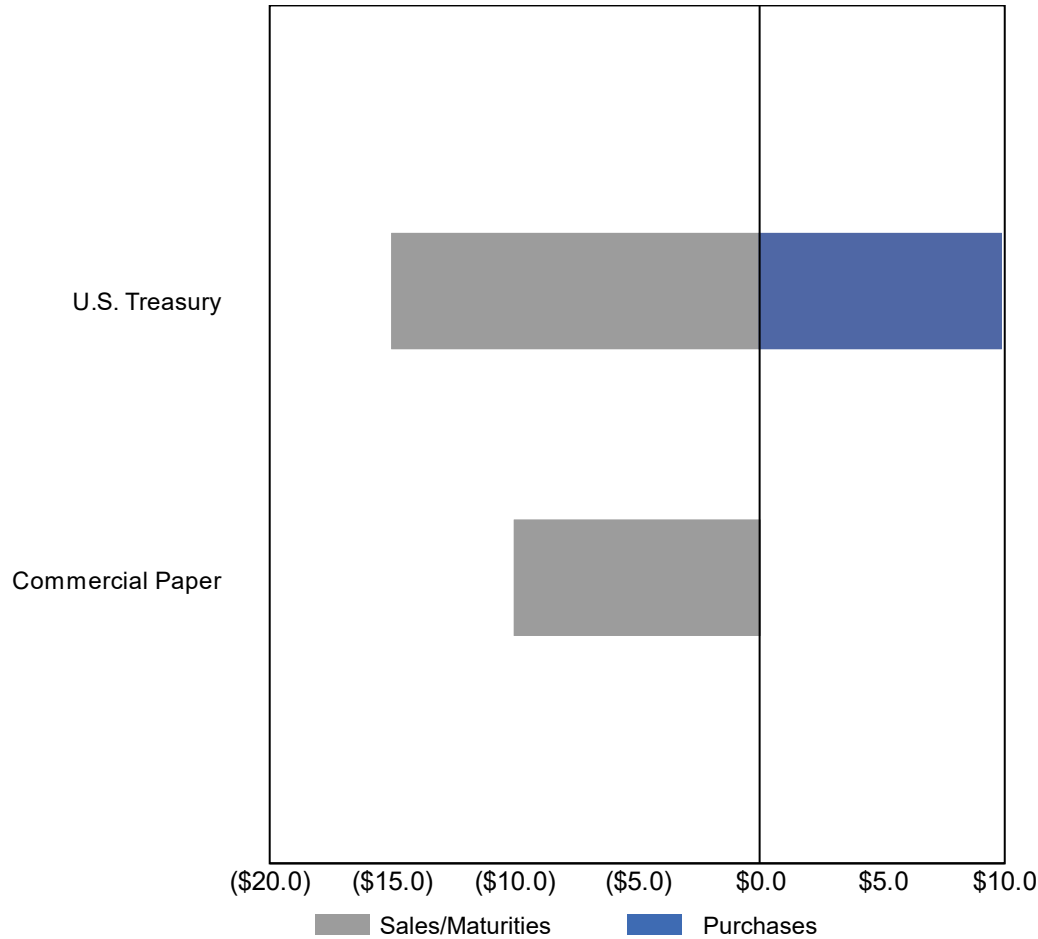
Security Type	Dec-23	% of Total	Mar-24	% of Total	Jun-24	% of Total	Sep-24	% of Total
U.S. Treasury	\$68.4	70.1%	\$44.1	59.8%	\$29.5	74.8%	\$24.8	100.0%
Commercial Paper	\$29.2	29.9%	\$29.6	40.2%	\$9.9	25.2%	\$0.0	0.0%
Total	\$97.6	100.0%	\$73.7	100.0%	\$39.5	100.0%	\$24.8	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - CITY OF SALEM SHORT TERM PORTFOLIO

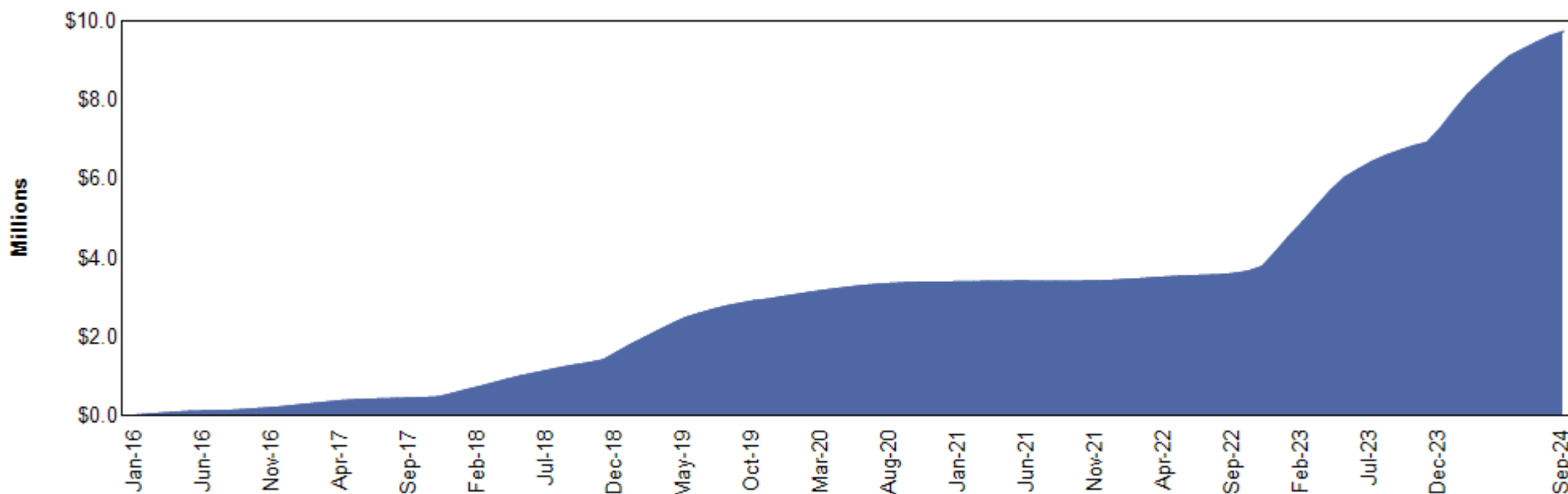
Net Activity by Sector
(\$ millions)



Sector	Net Activity
U.S. Treasury	(\$5,167,112)
Commercial Paper	(\$10,000,000)
Total Net Activity	(\$15,167,112)

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Accrual Basis Earnings - CITY OF SALEM SHORT TERM PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception ¹
Interest Earned ²	-	\$7,377	\$45,000	\$320,655	\$753,682
Realized Gains / (Losses) ³	-	-	-	-	\$4,369
Change in Amortized Cost	\$449,940	\$3,012,696	\$6,279,034	\$6,564,701	\$8,983,963
Total Earnings	\$449,940	\$3,020,073	\$6,324,034	\$6,885,356	\$9,742,014

1. The lesser of 10 years or since inception is shown. Performance inception date is January 1, 1900.
 2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
 3. Realized gains / (losses) are shown on an amortized cost basis.

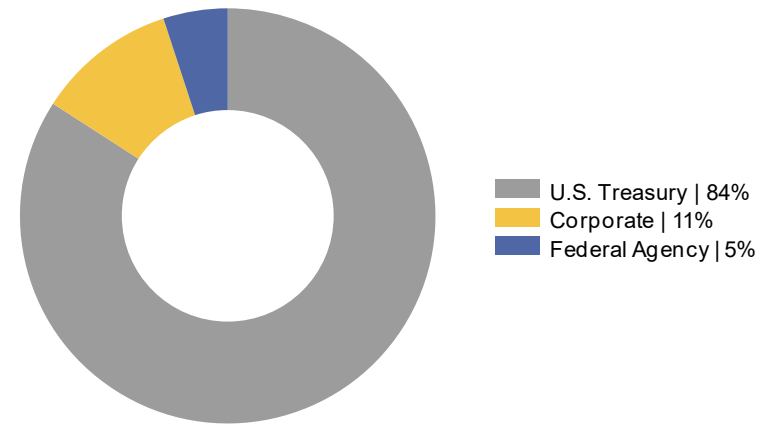
Portfolio Review:
CITY OF SALEM COMMUNITY IMPROVEMENT

Portfolio Snapshot - CITY OF SALEM COMMUNITY IMPROVEMENT¹

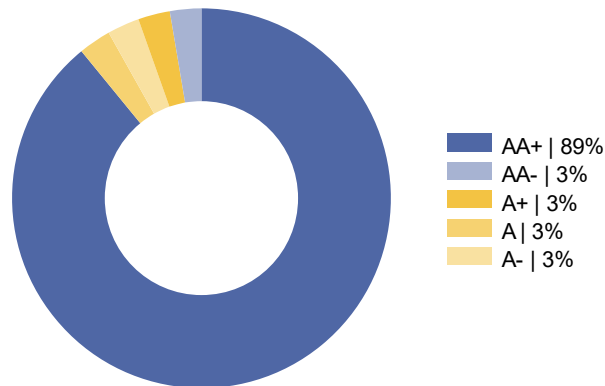
Portfolio Statistics

Total Market Value	\$51,481,520.76
<i>Securities Sub-Total</i>	\$51,121,133.60
<i>Accrued Interest</i>	\$360,387.16
<i>Cash</i>	\$0.00
Portfolio Effective Duration	0.84 years
Yield At Cost	5.27%
Yield At Market	4.31%
Portfolio Credit Quality	AA

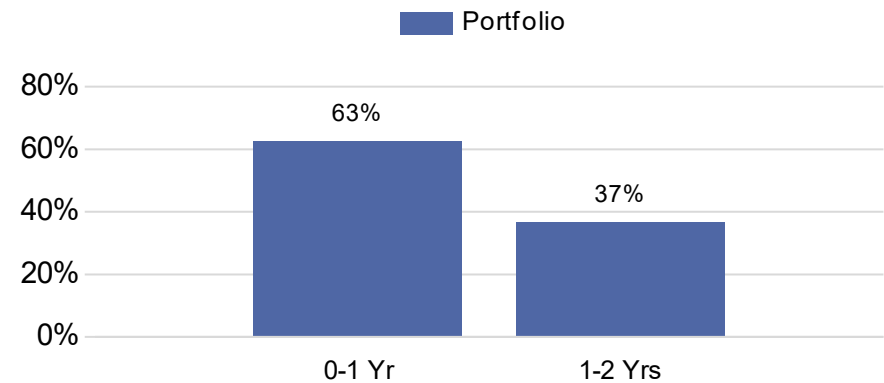
Sector Allocation



Credit Quality - S&P



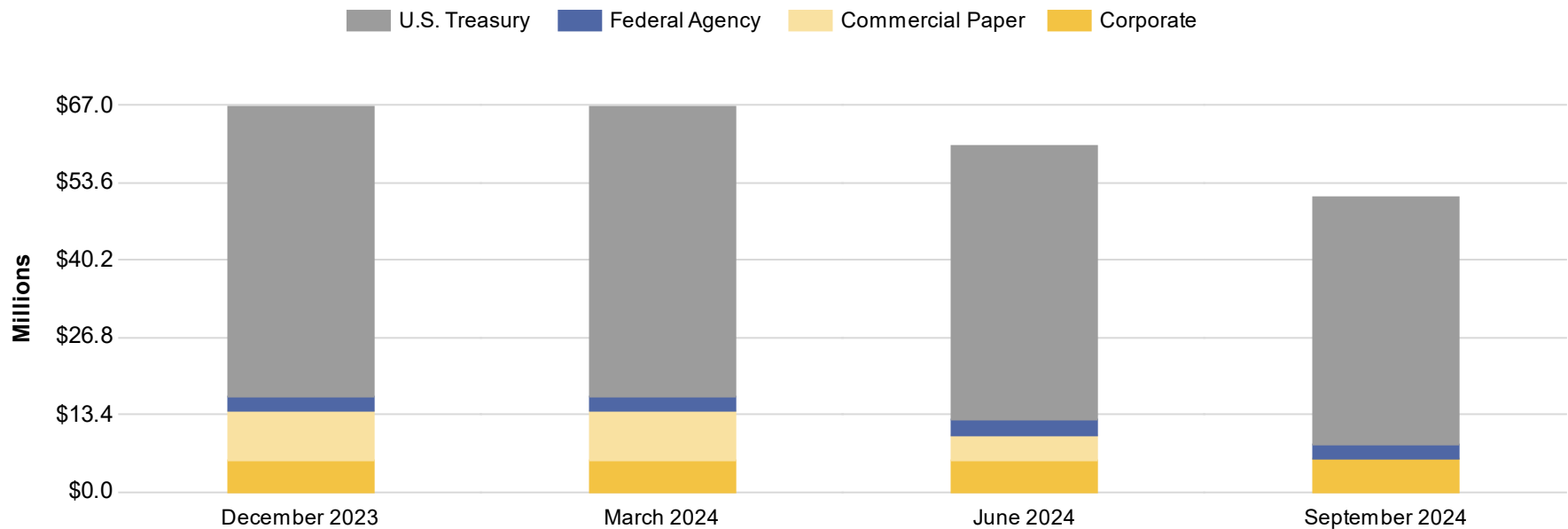
Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

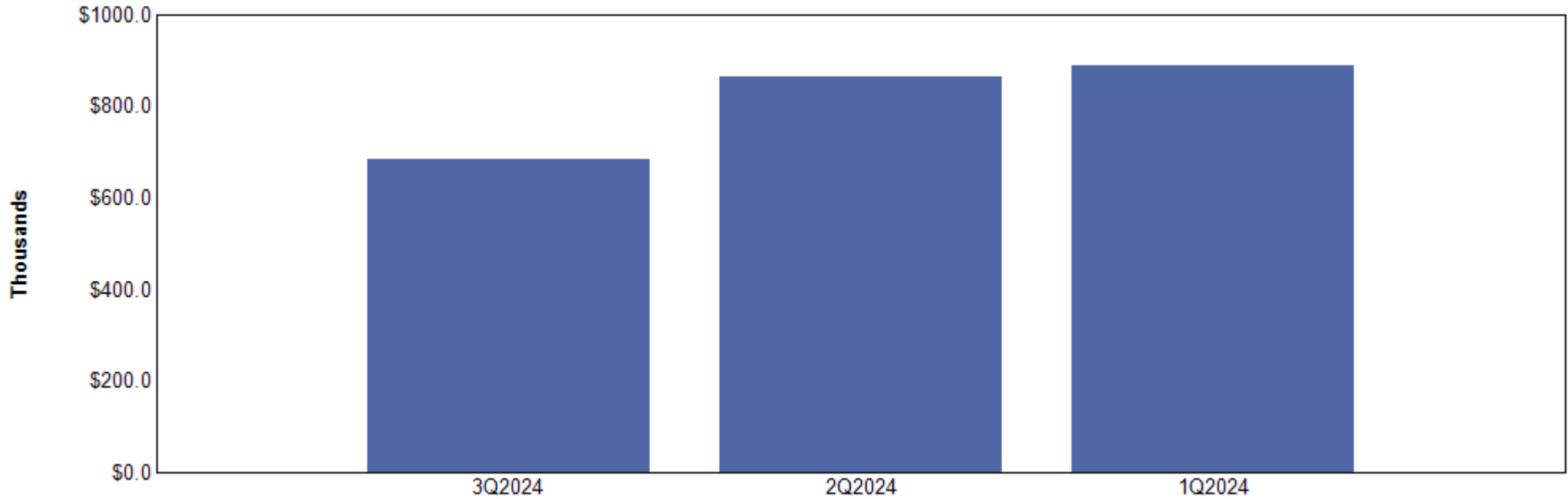
Sector Allocation Review - CITY OF SALEM COMMUNITY IMPROVEMENT

Security Type	Dec-23	% of Total	Mar-24	% of Total	Jun-24	% of Total	Sep-24	% of Total
U.S. Treasury	\$50.3	75.3%	\$50.3	75.3%	\$47.7	79.4%	\$43.0	84.1%
Federal Agency	\$2.5	3.8%	\$2.5	3.7%	\$2.5	4.2%	\$2.6	5.0%
Commercial Paper	\$8.4	12.6%	\$8.5	12.7%	\$4.3	7.2%	\$0.0	0.0%
Corporate	\$5.6	8.3%	\$5.5	8.3%	\$5.5	9.2%	\$5.6	10.9%
Total	\$66.7	100.0%	\$66.8	100.0%	\$60.0	100.0%	\$51.1	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Accrual Basis Earnings - CITY OF SALEM COMMUNITY IMPROVEMENT



Accrual Basis Earnings	3Q2024	2Q2024	1Q2024	4Q2023
Interest Earned ¹	\$361,582	\$359,111	\$359,507	-
Realized Gains / (Losses) ²	-	-	-	-
Change in Amortized Cost	\$322,221	\$504,430	\$528,937	-
Total Earnings	\$683,804	\$863,541	\$888,443	-

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

ESG Overview



ESG Risk Composition Overview

Interpreting the ESG Risk Rating

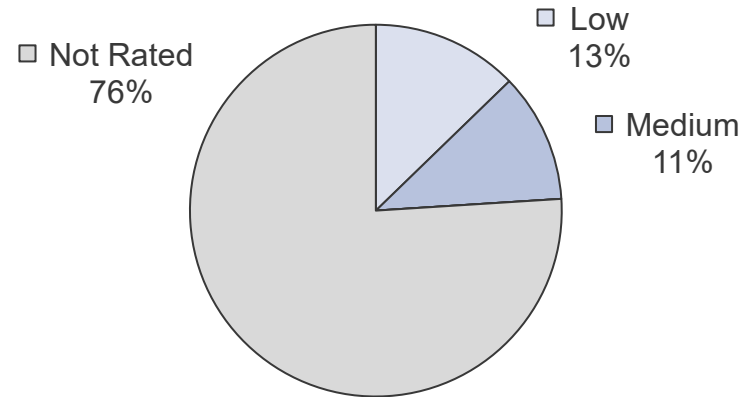
The **ESG Risk Rating** measures **economic value at risk based on ESG factors**.

A company's ESG Risk Rating is comprised of a quantitative score and a risk category. The score indicates unmanaged ESG risk. **Risk categories are absolute** and comparable across industries.

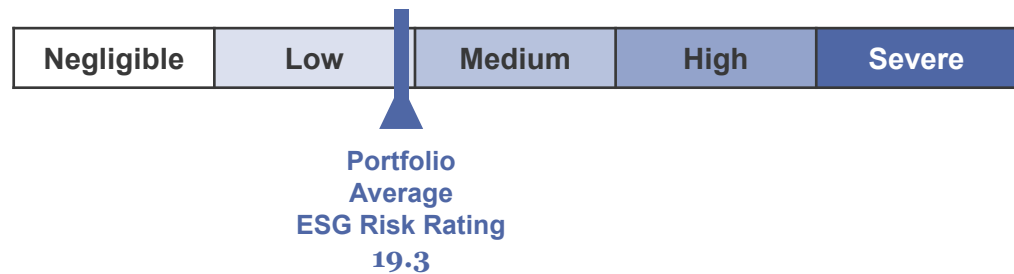
Lower scores represent less unmanaged risk. Ratings are scored on a scale of 1-100 and are assigned to one of the following ESG risk categories:

- Negligible Risk (overall score of 0-9.99 points)
- Low Risk (10-19.99 points)
- Medium Risk (20-29.99 points)
- High Risk (30-39.99 points)
- Severe Risk (40 and higher points)

Allocation by ESG Risk Rating



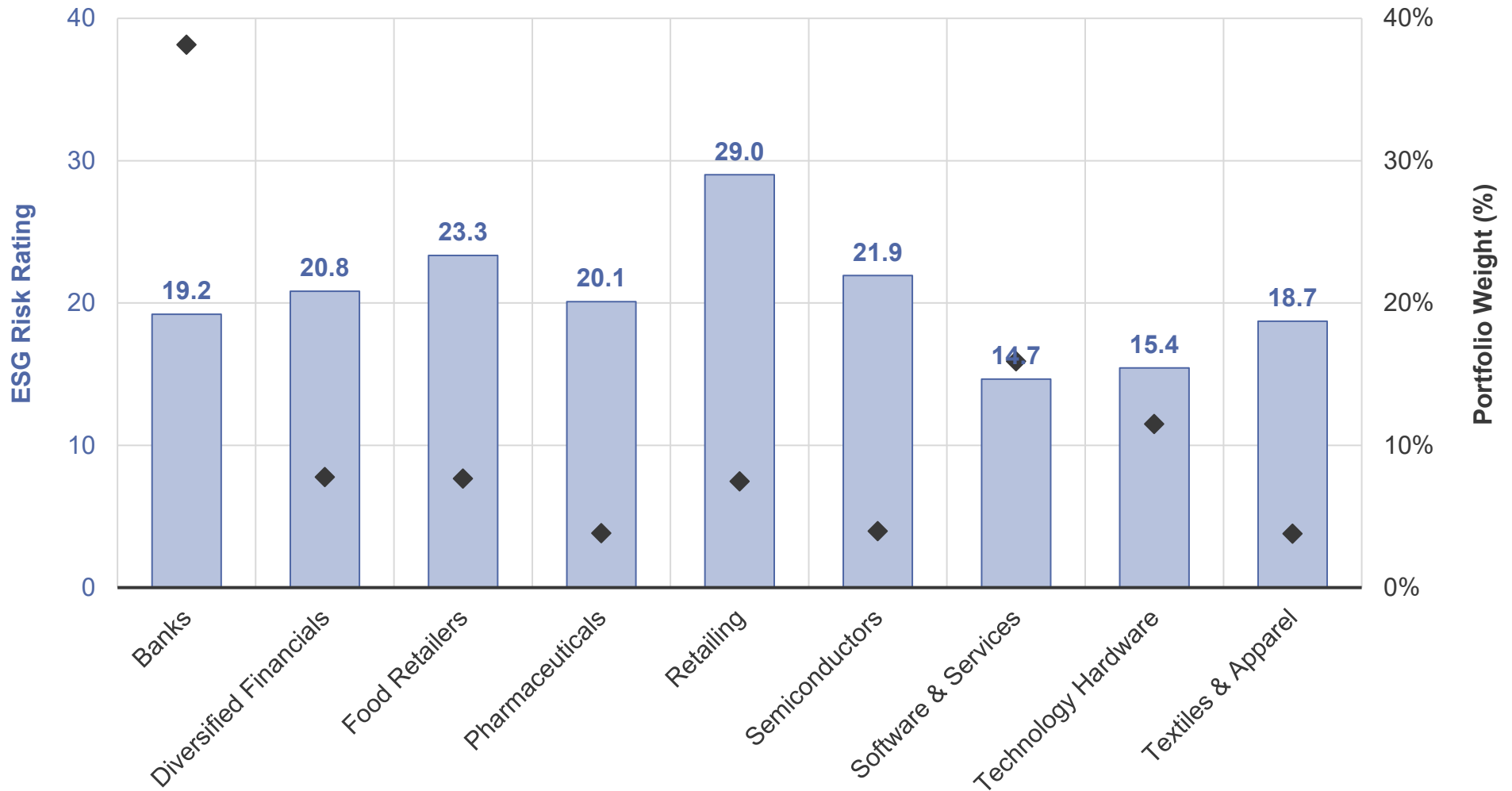
20/21 of portfolio issuers are rated with a total rated market value of \$64.4 million (24%)



Market Value includes accrued interest as of September 30, 2024. Average ESG Risk Rating is weighted by market value. Please see important disclosures at the end of this presentation.
 * U.S. Treasury obligations are not included in the analysis.

Industry Diversification

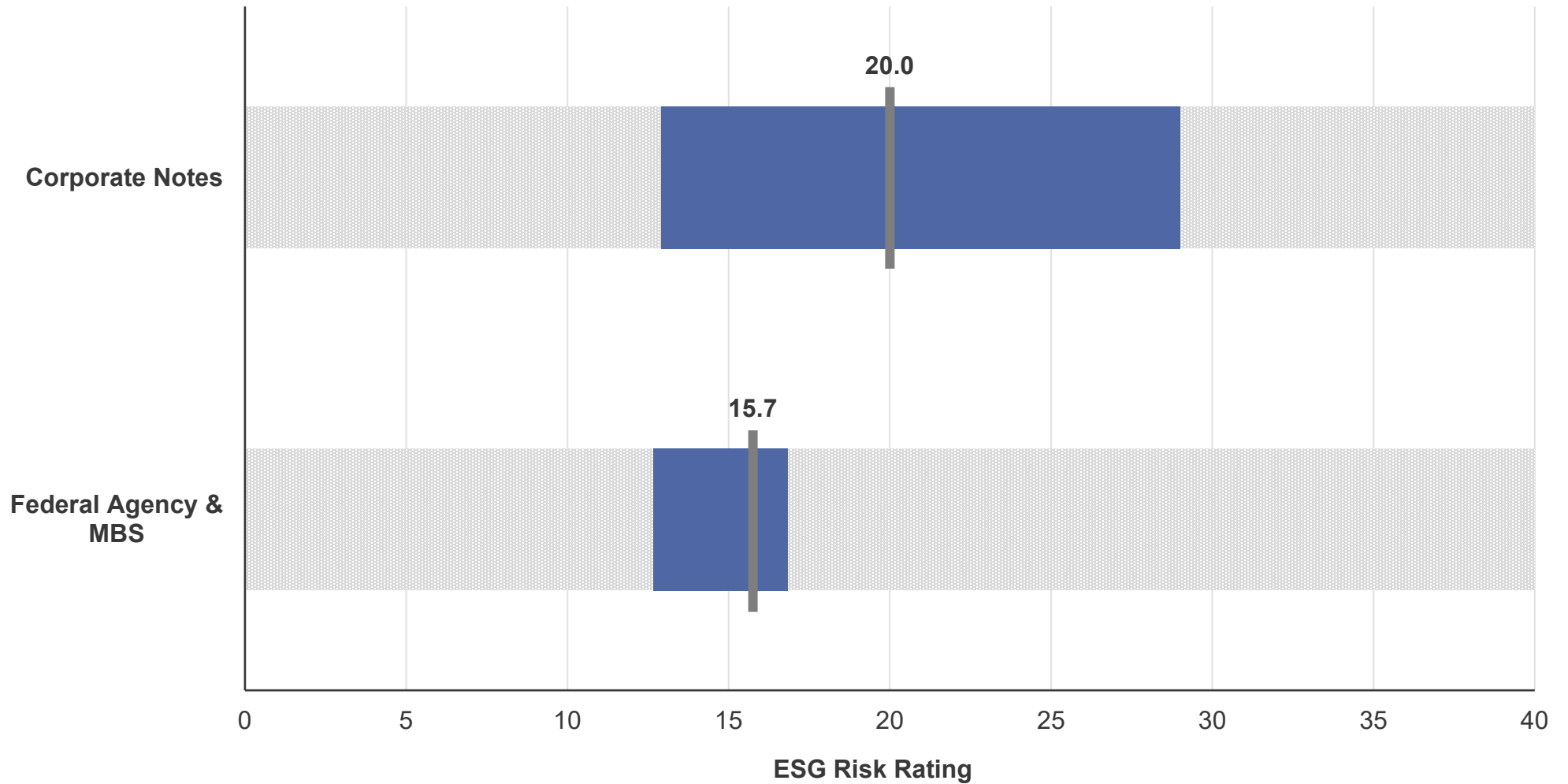
Industry Exposure and Weighted Average Risk Score



Portfolio holdings and Sustainalytics data as of September 30, 2024. Average ESG Risk Rating represents the market value-weighted average ESG risk rating for each industry.

Sector Analysis

ESG Risk Rating Range and Average by Sector



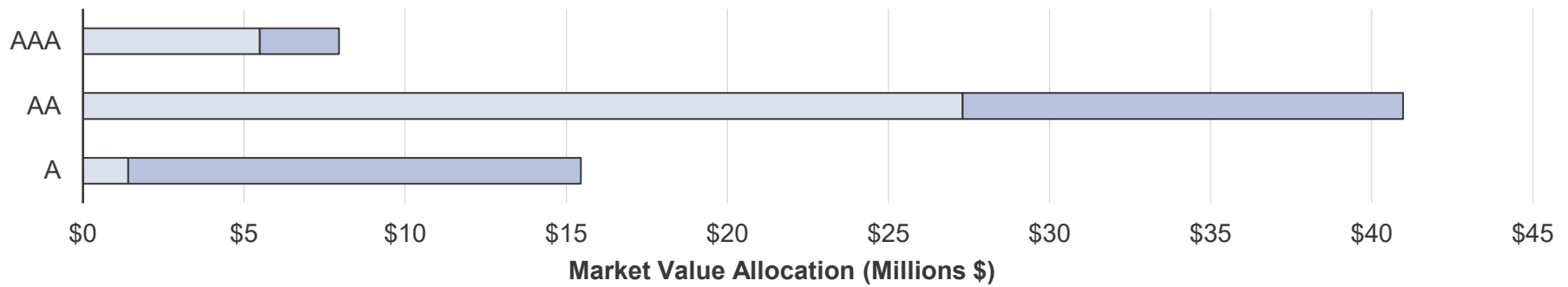
Source: Sustainalytics. Data as of September 30, 2024. Bars represent the range of held issuers' ESG risk rating that fall under each sector, and lines indicate the sectors market value-weighted average ESG risk rating. Please see important disclosures at the end of this presentation.

S&P Credit Rating Distribution

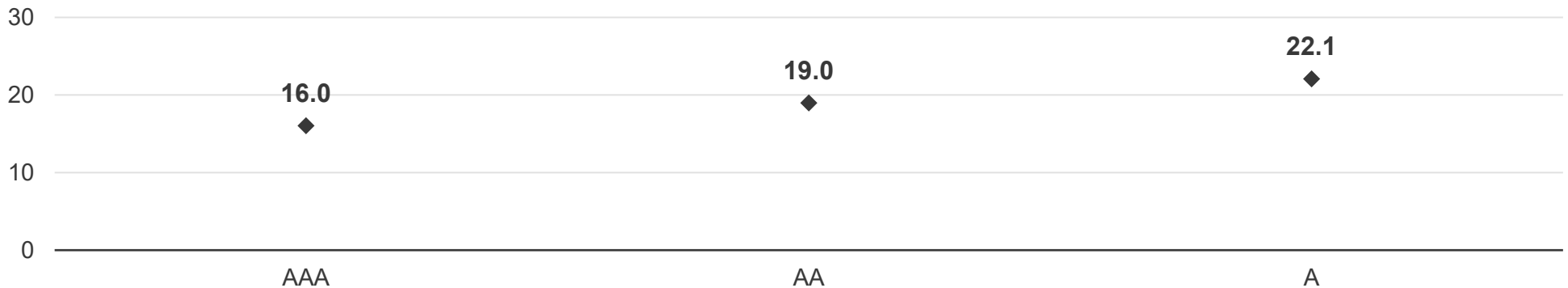
ESG Risk Rating Key

Negligible	Low	Medium	High	Severe
0-9.99	10-19.99	20-29.99	30-39.99	40-100

Credit Rating Grouped by ESG Risk Rating Category



Average ESG Risk Rating by S&P Credit Rating



Portfolio holdings and Sustainalytics data as of September 30, 2024. If a security is not rated by S&P, the equivalent Moody's rating is used. NR stands for 'no rating' and implies that the issuer is not rated by S&P or Moody's but is rated by Fitch.

Holdings as of September 30, 2024

Issuer	% Weight	Subindustry	Subindustry Percentile	ESG Risk Rating September 30, 2024
Federal National Mortgage Association	1.0%	Thriffs and Mortgages	6	12.7
Cisco Systems, Inc.	1.0%	Communications Equipment	9	12.9
Bank of Montreal	0.5%	Diversified Banks	6	13.7
Microsoft Corp.	2.0%	Enterprise and Infrastructure Software	5	14.2
Automatic Data Processing, Inc.	0.9%	Data Processing	11	15.1
Visa, Inc.	0.9%	Data Processing	12	15.2
Apple, Inc.	1.8%	Technology Hardware	34	16.8
Federal Home Loan Mortgage Corp.	2.4%	Thriffs and Mortgages	13	16.8
BlackRock, Inc.	1.3%	Asset Management and Custody Services	8	18.4
NIKE, Inc.	0.9%	Footwear	58	18.7
Johnson & Johnson	0.9%	Pharmaceuticals	7	20.1
Australia & New Zealand Banking Group Ltd.	1.5%	Diversified Banks	25	20.7
The Toronto-Dominion Bank	0.9%	Diversified Banks	26	21.1
Royal Bank of Canada	0.5%	Diversified Banks	28	21.4
Texas Instruments Incorporated	1.0%	Semiconductor Design and Manufacturing	22	21.9
Citigroup, Inc.	1.0%	Diversified Banks	31	22.1
Walmart, Inc.	1.8%	Food Retail	45	23.3
Bank of America Corp.	1.3%	Diversified Banks	39	24.4
UBS Group AG	0.5%	Asset Management and Custody Services	29	27.1
Amazon.com, Inc.	1.8%	Online and Direct Marketing Retail	80	29.0

Source: Sustainalytics. Holdings as of September 30, 2024.

Portfolio Holdings and Transactions

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 10/15/2021 0.625% 10/15/2024	91282CDB4	5,000,000.00	AA+	Aaa	11/9/2021	11/12/2021	4,992,382.81	0.68	14,429.64	4,999,900.15	4,991,890.00
US TREASURY N/B DTD 10/31/2019 1.500% 10/31/2024	912828YM6	5,250,000.00	AA+	Aaa	1/17/2020	1/22/2020	5,219,238.28	1.63	32,955.16	5,249,470.84	5,235,468.00
US TREASURY N/B DTD 11/17/2014 2.250% 11/15/2024	912828G38	4,070,000.00	AA+	Aaa	11/26/2019	11/27/2019	4,192,735.94	1.62	34,589.47	4,073,043.04	4,056,935.30
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	4,750,000.00	AA+	Aaa	1/17/2020	1/22/2020	4,777,275.39	1.63	21,007.13	4,751,375.10	4,715,861.75
US TREASURY N/B DTD 01/18/2022 1.125% 01/15/2025	91282CDS7	10,670,000.00	AA+	Aaa	11/28/2022	11/30/2022	9,958,527.73	4.45	25,442.73	10,572,939.43	10,564,548.39
US TREASURY N/B DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	4,100,000.00	AA+	Aaa	11/9/2021	11/12/2021	4,059,320.31	0.80	56.32	4,094,038.04	4,022,518.20
US TREASURY N/B DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	6,000,000.00	AA+	Aaa	4/15/2021	4/16/2021	5,898,984.38	0.65	2,527.17	5,980,467.30	5,814,084.00
US TREASURY N/B DTD 08/31/2023 5.000% 08/31/2025	91282CHV6	2,500,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,492,773.44	5.16	10,704.42	2,496,418.89	2,521,070.00
US TREASURY N/B DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	11,100,000.00	AA+	Aaa	11/28/2022	11/30/2022	9,958,347.66	4.25	2,376.38	10,720,585.19	10,725,463.80
US TREASURY N/B DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	2,000,000.00	AA+	Aaa	1/15/2021	1/19/2021	1,992,500.00	0.45	1,895.38	1,998,107.36	1,916,094.00
US TREASURY N/B DTD 01/31/2024 4.250% 01/31/2026	91282CJV4	2,500,000.00	AA+	Aaa	4/18/2024	4/19/2024	2,466,796.88	5.03	17,900.82	2,474,933.60	2,513,575.00
US TREASURY N/B DTD 02/01/2021 0.375% 01/31/2026	91282CBH3	5,900,000.00	AA+	Aaa	4/15/2021	4/16/2021	5,790,066.41	0.77	3,727.58	5,869,424.52	5,638,877.80
US TREASURY N/B DTD 02/15/2023 4.000% 02/15/2026	91282CGL9	4,500,000.00	AA+	Aaa	2/21/2023	2/23/2023	4,449,023.44	4.41	22,989.13	4,476,479.56	4,512,127.50
US TREASURY N/B DTD 03/01/2021 0.500% 02/28/2026	91282CBQ3	2,665,000.00	AA+	Aaa	3/16/2021	3/18/2021	2,623,255.27	0.82	1,141.09	2,653,109.22	2,545,386.81
US TREASURY N/B DTD 03/15/2023 4.625% 03/15/2026	91282CGR6	5,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	4,994,335.94	4.69	10,220.99	4,995,853.66	5,059,570.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	4,000,000.00	AA+	Aaa	11/9/2021	11/12/2021	3,951,718.75	1.02	10,081.97	3,982,355.98	3,809,688.00
US TREASURY N/B DTD 07/17/2023 4.500% 07/15/2026	91282CHM6	5,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	4,988,867.19	4.60	47,690.22	4,991,420.10	5,068,555.00
US TREASURY N/B DTD 08/02/2021 0.625% 07/31/2026	91282CCP4	2,750,000.00	AA+	Aaa	3/3/2022	3/4/2022	2,617,119.14	1.77	2,895.72	2,694,866.82	2,602,187.50
US TREASURY N/B DTD 09/15/2023 4.625% 09/15/2026	91282CHY0	5,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	5,006,640.63	4.57	10,220.99	5,005,292.25	5,089,065.00
US TREASURY N/B DTD 11/01/2021 1.125% 10/31/2026	91282CDG3	4,825,000.00	AA+	Aaa	5/3/2023	5/4/2023	4,443,334.96	3.56	22,715.52	4,597,675.99	4,582,432.78
US TREASURY N/B DTD 03/15/2024 4.250% 03/15/2027	91282CKE0	6,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	5,962,968.75	4.47	11,270.72	5,969,184.18	6,091,170.00
US TREASURY N/B DTD 05/31/2022 2.625% 05/31/2027	91282CET4	1,000,000.00	AA+	Aaa	5/31/2022	6/2/2022	991,484.38	2.81	8,821.72	995,462.07	975,391.00
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2027	91282CEW7	6,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	5,783,203.13	4.45	49,279.89	5,818,369.18	5,947,734.00
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2027	91282CEW7	5,500,000.00	AA+	Aaa	7/12/2022	7/14/2022	5,566,816.41	2.98	45,173.23	5,536,948.15	5,452,089.50
US TREASURY N/B DTD 08/01/2022 2.750% 07/31/2027	91282CFB2	2,500,000.00	AA+	Aaa	8/11/2022	8/12/2022	2,478,808.59	2.93	11,582.88	2,487,932.34	2,443,555.00
US TREASURY N/B DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	6,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	5,940,937.50	4.43	679.95	5,949,833.56	6,094,218.00
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	6,000,000.00	AA+	Aaa	3/19/2024	3/21/2024	5,939,531.25	4.43	103,573.37	5,948,425.06	6,093,048.00
US TREASURY N/B DTD 11/02/2020 0.500% 10/31/2027	91282CAU5	4,325,000.00	AA+	Aaa	3/31/2023	4/3/2023	3,745,010.74	3.71	9,049.59	3,934,756.03	3,937,947.10
US TREASURY N/B DTD 08/31/2021 1.125% 08/31/2028	91282CCV1	2,500,000.00	AA+	Aaa	12/18/2023	12/20/2023	2,195,312.50	4.00	2,408.49	2,246,093.75	2,276,075.00
Security Type Sub-Total		137,405,000.00					133,477,317.80	3.19	537,407.67	135,564,761.36	135,296,626.43
Federal Agency											
FREDDIE MAC DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	2,850,000.00	AA+	Aaa	11/30/2020	12/1/2020	2,844,129.00	0.42	2,078.13	2,848,980.48	2,768,153.70

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency											
FREDDIE MAC DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	2,500,000.00	AA+	Aaa	11/30/2020	12/1/2020	2,490,025.00	0.46	208.33	2,497,972.75	2,413,530.00
FREDDIE MAC DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	1,400,000.00	AA+	Aaa	9/29/2020	9/30/2020	1,397,830.00	0.41	116.67	1,399,573.99	1,351,576.80
Security Type Sub-Total		6,750,000.00					6,731,984.00	0.43	2,403.13	6,746,527.22	6,533,260.50
Corporate											
MICROSOFT CORP (CALLABLE) DTD 11/03/2015 3.125% 11/03/2025	594918BJ2	2,000,000.00	AAA	Aaa	3/16/2021	3/18/2021	2,186,160.00	1.06	25,694.44	2,035,695.44	1,981,014.00
APPLE INC (CALLABLE) DTD 02/08/2021 0.700% 02/08/2026	037833EB2	5,000,000.00	AA+	Aaa	2/8/2021	2/10/2021	4,996,800.00	0.71	5,152.78	4,999,133.26	4,792,950.00
AUST & NZ BANKING GRP NY DTD 03/18/2024 5.000% 03/18/2026	05253JB26	2,500,000.00	AA-	Aa2	3/19/2024	3/21/2024	2,495,775.00	5.09	4,513.89	2,496,854.68	2,532,527.50
AMAZON.COM INC (CALLABLE) DTD 05/12/2021 1.000% 05/12/2026	023135BX3	5,000,000.00	AA	A1	6/8/2021	6/10/2021	5,010,400.00	0.96	19,305.56	5,003,289.55	4,780,135.00
TORONTO-DOMINION BANK DTD 06/03/2021 1.200% 06/03/2026	89114TZD7	2,500,000.00	A-	A2	6/16/2021	6/18/2021	2,509,725.00	1.12	9,833.33	2,503,279.80	2,383,352.50
BANK OF AMERICA NA (CALLABLE) DTD 08/18/2023 5.526% 08/18/2026	06428CAA2	3,500,000.00	A+	Aa1	10/23/2023	10/25/2023	3,480,015.00	5.75	23,101.75	3,486,643.78	3,593,387.00
WALMART INC (CALLABLE) DTD 09/17/2021 1.050% 09/17/2026	931142ER0	2,500,000.00	AA	Aa2	2/28/2022	3/2/2022	2,401,175.00	1.96	1,020.83	2,457,326.94	2,373,880.00
MICROSOFT CORP (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	3,500,000.00	AAA	Aaa	10/23/2023	10/25/2023	3,305,750.00	5.16	17,645.83	3,361,015.03	3,467,100.00
TEXAS INSTRUMENTS INC (CALLABLE) DTD 02/08/2024 4.600% 02/08/2027	882508CE2	2,500,000.00	A+	Aa3	3/19/2024	3/21/2024	2,493,550.00	4.69	16,930.56	2,494,671.17	2,539,390.00
NIKE INC (CALLABLE) DTD 03/27/2020 2.750% 03/27/2027	654106AJ2	2,500,000.00	AA-	A1	7/12/2022	7/14/2022	2,424,975.00	3.45	763.89	2,460,293.92	2,435,547.50
VISA INC (CALLABLE) DTD 04/02/2020 1.900% 04/15/2027	92826CAL6	2,500,000.00	AA-	Aa3	7/12/2022	7/14/2022	2,334,875.00	3.42	21,902.78	2,411,791.79	2,387,965.00
JOHNSON & JOHNSON (CALLABLE) DTD 11/10/2017 2.900% 01/15/2028	478160CK8	2,500,000.00	AAA	Aaa	10/23/2023	10/25/2023	2,293,225.00	5.10	15,305.56	2,338,933.16	2,440,820.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
WALMART INC (CALLABLE) DTD 04/18/2023 3.900% 04/15/2028	931142FB4	2,500,000.00	AA	Aa2	10/23/2023	10/25/2023	2,373,000.00	5.19	44,958.33	2,399,504.35	2,511,142.50
AUTOMATIC DATA PROCESSNG (CALLABLE) DTD 05/14/2021 1.700% 05/15/2028	053015AG8	2,500,000.00	AA-	Aa3	12/18/2023	12/20/2023	2,244,550.00	4.27	16,055.56	2,289,837.98	2,320,402.50
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	2,500,000.00	A+	Aa3	10/23/2023	10/25/2023	2,476,400.00	6.03	805.97	2,480,354.43	2,644,830.00
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.850% 02/26/2029	17275RBR2	2,500,000.00	AA-	A1	3/19/2024	3/21/2024	2,512,325.00	4.74	11,788.19	2,511,122.12	2,584,497.50
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	3,500,000.00	AA-	Aa3	3/19/2024	3/21/2024	3,498,565.00	4.71	7,768.06	3,498,706.26	3,597,947.50
Security Type Sub-Total		50,000,000.00					49,037,265.00	3.60	242,547.31	49,228,453.66	49,366,888.50
Managed Account Sub Total		194,155,000.00					189,246,566.80	3.20	782,358.11	191,539,742.24	191,196,775.43
Securities Sub Total		\$194,155,000.00					\$189,246,566.80	3.20%	\$782,358.11	\$191,539,742.24	\$191,196,775.43
Accrued Interest											\$782,358.11
Total Investments											\$191,979,133.54

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
7/15/2024	7/15/2024	5,000,000.00	91282CHM6	US TREASURY N/B	4.50%	7/15/2026	112,500.00		
7/15/2024	7/15/2024	10,670,000.00	91282CDS7	US TREASURY N/B	1.12%	1/15/2025	60,018.75		
7/15/2024	7/15/2024	2,500,000.00	478160CK8	JOHNSON & JOHNSON (CALLABLE)	2.90%	1/15/2028	36,250.00		
7/21/2024	7/21/2024	2,850,000.00	3137EAEU9	FREDDIE MAC	0.37%	7/21/2025	5,343.75		
7/31/2024	7/31/2024	2,500,000.00	91282CFB2	US TREASURY N/B	2.75%	7/31/2027	34,375.00		
7/31/2024	7/31/2024	2,500,000.00	91282CJV4	US TREASURY N/B	4.25%	1/31/2026	53,125.00		
7/31/2024	7/31/2024	6,000,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	7,500.00		
7/31/2024	7/31/2024	2,750,000.00	91282CCP4	US TREASURY N/B	0.62%	7/31/2026	8,593.75		
7/31/2024	7/31/2024	5,900,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	11,062.50		
8/6/2024	8/6/2024	3,500,000.00	594918BY9	MICROSOFT CORP (CALLABLE)	3.30%	2/6/2027	57,750.00		
8/8/2024	8/8/2024	2,500,000.00	882508CE2	TEXAS INSTRUMENTS INC (CALLABLE)	4.60%	2/8/2027	57,500.00		
8/8/2024	8/8/2024	5,000,000.00	037833EB2	APPLE INC (CALLABLE)	0.70%	2/8/2026	17,500.00		
8/15/2024	8/15/2024	4,500,000.00	91282CGL9	US TREASURY N/B	4.00%	2/15/2026	90,000.00		
8/18/2024	8/18/2024	3,500,000.00	06428CAA2	BANK OF AMERICA NA (CALLABLE)	5.52%	8/18/2026	96,705.00		
8/26/2024	8/26/2024	2,500,000.00	17275RBR2	CISCO SYSTEMS INC (CALLABLE)	4.85%	2/26/2029	60,625.00		
8/31/2024	8/31/2024		912828YE4	US TREASURY N/B	1.25%	8/31/2024	32,812.50		
8/31/2024	8/31/2024		91282CBQ3	US TREASURY N/B	0.50%	2/28/2026	6,662.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
8/31/2024	8/31/2024		91282CHV6	US TREASURY N/B	5.00%	8/31/2025	62,500.00		
8/31/2024	8/31/2024		91282CCV1	US TREASURY N/B	1.12%	8/31/2028	14,062.50		
8/31/2024	8/31/2024		91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	13,875.00		
9/14/2024	9/14/2024		09290DAA9	BLACKROCK FUNDING INC (CALLABLE)	4.70%	3/14/2029	82,250.00		
9/15/2024	9/15/2024		91282CGR6	US TREASURY N/B	4.62%	3/15/2026	115,625.00		
9/15/2024	9/15/2024		91282CKE0	US TREASURY N/B	4.25%	3/15/2027	127,500.00		
9/15/2024	9/15/2024		91282CHY0	US TREASURY N/B	4.62%	9/15/2026	115,625.00		
9/17/2024	9/17/2024		931142ER0	WALMART INC (CALLABLE)	1.05%	9/17/2026	13,125.00		
9/18/2024	9/18/2024		05253JB26	AUST & NZ BANKING GRP NY	5.00%	3/18/2026	62,500.00		
9/23/2024	9/23/2024		3137EAEX3	FREDDIE MAC	0.37%	9/23/2025	7,312.50		
9/27/2024	9/27/2024		654106AJ2	NIKE INC (CALLABLE)	2.75%	3/27/2027	34,375.00		
9/29/2024	9/29/2024		17325FBB3	CITIBANK NA (CALLABLE)	5.80%	9/29/2028	72,537.50		
9/30/2024	9/30/2024		912828ZF0	US TREASURY N/B	0.50%	3/31/2025	10,250.00		
9/30/2024	9/30/2024		91282CFM8	US TREASURY N/B	4.12%	9/30/2027	123,750.00		
9/30/2024	9/30/2024		912828YH7	US TREASURY N/B	1.50%	9/30/2024	34,500.00		
Total INTEREST		62,170,000.00					1,638,111.25		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
MATURITY									
8/31/2024	8/31/2024	5,250,000.00	912828YE4	US TREASURY N/B	1.25%	8/31/2024	5,250,000.00		
9/30/2024	9/30/2024	4,600,000.00	912828YH7	US TREASURY N/B	1.50%	9/30/2024	4,600,000.00		
Total MATURITY		9,850,000.00					9,850,000.00		0.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
TREASURY BILL DTD 11/30/2023 0.000% 11/29/2024	912797HP5	15,000,000.00	A-1+	P-1	12/6/2023	12/7/2023	14,283,030.42	4.81	0.00	14,881,842.67	14,884,965.00
TREASURY BILL DTD 11/30/2023 0.000% 11/29/2024	912797HP5	10,000,000.00	A-1+	P-1	7/31/2024	8/2/2024	9,832,887.64	5.06	0.00	9,917,147.61	9,923,310.00
Security Type Sub-Total		25,000,000.00					24,115,918.06	4.91	0.00	24,798,990.28	24,808,275.00
Managed Account Sub Total		25,000,000.00					24,115,918.06	4.91	0.00	24,798,990.28	24,808,275.00
Securities Sub Total		\$25,000,000.00					\$24,115,918.06	4.91%	\$0.00	\$24,798,990.28	\$24,808,275.00
Accrued Interest											\$0.00
Total Investments											\$24,808,275.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
7/31/2024	8/2/2024	10,000,000.00	912797HP5	TREASURY BILL	0.00%	11/29/2024	9,832,887.64	5.14%	
Total BUY		10,000,000.00					9,832,887.64		0.00
MATURITY									
8/1/2024	8/1/2024	10,000,000.00	63873JH11	NATIXIS NY BRANCH COMM PAPER	0.00%	8/1/2024	10,000,000.00		
9/5/2024	9/5/2024	15,000,000.00	912797GL5	TREASURY BILL	0.00%	9/5/2024	15,000,000.00		
Total MATURITY		25,000,000.00					25,000,000.00		0.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 11/17/2014 2.250% 11/15/2024	912828G38	2,840,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,749,253.13	5.42	24,136.14	2,829,393.22	2,830,883.60
US TREASURY N/B DTD 12/15/2021 1.000% 12/15/2024	91282CDN8	2,820,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,686,270.31	5.37	8,321.31	2,795,831.98	2,799,289.92
US TREASURY N/B DTD 01/18/2022 1.125% 01/15/2025	91282CDS7	2,850,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,710,283.20	5.34	6,795.86	2,816,793.76	2,821,833.45
US TREASURY N/B DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	2,820,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,685,719.53	5.33	5,402.45	2,781,433.07	2,788,824.90
US TREASURY N/B DTD 03/02/2020 1.125% 02/28/2025	912828ZC7	1,480,000.00	AA+	Aaa	10/25/2023	10/26/2023	1,400,334.38	5.32	1,425.83	1,455,662.23	1,459,996.32
US TREASURY N/B DTD 03/15/2022 1.750% 03/15/2025	91282CED9	1,320,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,258,073.44	5.31	1,020.99	1,299,766.57	1,304,801.52
US TREASURY N/B DTD 05/01/2023 3.875% 04/30/2025	91282CGX3	1,285,000.00	AA+	Aaa	10/26/2023	10/27/2023	1,259,601.17	5.25	20,837.60	1,275,273.77	1,281,766.94
US TREASURY N/B DTD 05/16/2022 2.750% 05/15/2025	91282CEQ0	2,645,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,548,085.55	5.24	27,474.22	2,606,302.71	2,620,435.88
US TREASURY N/B DTD 06/15/2022 2.875% 06/15/2025	91282CEU1	2,620,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,525,536.72	5.20	22,227.05	2,579,334.90	2,596,275.90
US TREASURY N/B DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	2,635,000.00	AA+	Aaa	10/26/2023	10/27/2023	2,418,950.59	5.18	1,109.85	2,533,191.34	2,553,351.89
US TREASURY N/B DTD 08/17/2015 2.000% 08/15/2025	912828K74	2,610,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,469,610.55	5.16	6,666.85	2,542,152.21	2,564,202.33
US TREASURY N/B DTD 09/15/2022 3.500% 09/15/2025	91282CFK2	1,215,000.00	AA+	Aaa	10/26/2023	10/27/2023	1,179,499.22	5.14	1,879.56	1,197,017.75	1,209,418.29
US TREASURY N/B DTD 10/17/2022 4.250% 10/15/2025	91282CFP1	1,135,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,116,910.94	5.11	22,273.60	1,125,464.88	1,138,369.81
US TREASURY N/B DTD 12/15/2022 4.000% 12/15/2025	91282CGA3	1,265,000.00	AA+	Aaa	10/25/2023	10/27/2023	1,237,970.51	5.07	14,931.15	1,249,752.60	1,267,075.87
US TREASURY N/B DTD 01/17/2023 3.875% 01/15/2026	91282CGE5	2,635,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,570,566.02	5.05	21,642.09	2,597,579.03	2,636,235.81

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 02/15/2023 4.000% 02/15/2026	91282CGL9	2,635,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,576,330.08	5.03	13,461.41	2,600,021.02	2,642,101.32
US TREASURY N/B DTD 03/15/2023 4.625% 03/15/2026	91282CGR6	2,625,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,601,928.71	5.02	5,366.02	2,610,945.08	2,656,274.25
US TREASURY N/B DTD 04/17/2023 3.750% 04/15/2026	91282CGV7	5,785,000.00	AA+	Aaa	10/25/2023	10/27/2023	5,618,003.32	5.01	100,170.59	5,681,020.93	5,784,774.39
Security Type Sub-Total		43,220,000.00					41,612,927.37	5.19	305,142.57	42,576,937.05	42,955,912.39
Federal Agency											
FANNIE MAE DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	2,680,000.00	AA+	Aaa	10/25/2023	10/27/2023	2,440,676.00	5.20	5,360.00	2,550,174.93	2,578,945.24
Security Type Sub-Total		2,680,000.00					2,440,676.00	5.20	5,360.00	2,550,174.93	2,578,945.24
Corporate											
ROYAL BANK OF CANADA DTD 04/14/2022 3.375% 04/14/2025	78016EZ59	1,430,000.00	A	A1	10/25/2023	10/27/2023	1,378,963.30	5.96	22,388.44	1,411,309.14	1,420,737.89
UBS AG LONDON DTD 09/11/2023 5.800% 09/11/2025	902674ZV5	1,370,000.00	A+	Aa2	10/25/2023	10/27/2023	1,361,999.20	6.13	4,414.44	1,365,852.14	1,389,089.58
BANK OF MONTREAL DTD 09/25/2023 5.920% 09/25/2025	06368LWT9	1,380,000.00	A-	A2	10/25/2023	10/27/2023	1,375,584.00	6.10	1,361.60	1,377,664.18	1,400,960.82
AUST & NZ BANKING GRP NY DTD 12/08/2022 5.088% 12/08/2025	05254JAA8	1,360,000.00	AA-	Aa2	10/25/2023	10/27/2023	1,344,564.00	5.66	21,720.11	1,351,338.80	1,375,487.68
Security Type Sub-Total		5,540,000.00					5,461,110.50	5.96	49,884.59	5,506,164.26	5,586,275.97
Managed Account Sub Total		51,440,000.00					49,514,713.87	5.27	360,387.16	50,633,276.24	51,121,133.60
Securities Sub Total		\$51,440,000.00					\$49,514,713.87	5.27%	\$360,387.16	\$50,633,276.24	\$51,121,133.60
Accrued Interest											\$360,387.16
Total Investments											\$51,481,520.76

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
7/15/2024	7/15/2024	2,850,000.00	91282CDS7	US TREASURY N/B	1.12%	1/15/2025	16,031.25		
7/15/2024	7/15/2024	2,635,000.00	91282CGE5	US TREASURY N/B	3.87%	1/15/2026	51,053.13		
7/31/2024	7/31/2024	2,635,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	3,293.75		
8/15/2024	8/15/2024	2,635,000.00	91282CGL9	US TREASURY N/B	4.00%	2/15/2026	52,700.00		
8/15/2024	8/15/2024	2,610,000.00	912828K74	US TREASURY N/B	2.00%	8/15/2025	26,100.00		
8/15/2024	8/15/2024	2,820,000.00	91282CDZ1	US TREASURY N/B	1.50%	2/15/2025	21,150.00		
8/31/2024	8/31/2024		912828ZC7	US TREASURY N/B	1.12%	2/28/2025	8,325.00		
9/11/2024	9/11/2024		902674ZV5	UBS AG LONDON	5.80%	9/11/2025	39,730.00		
9/15/2024	9/15/2024		91282CGR6	US TREASURY N/B	4.62%	3/15/2026	60,703.13		
9/15/2024	9/15/2024		91282CED9	US TREASURY N/B	1.75%	3/15/2025	11,550.00		
9/15/2024	9/15/2024		91282CFK2	US TREASURY N/B	3.50%	9/15/2025	21,262.50		
9/25/2024	9/25/2024		06368LWT9	BANK OF MONTREAL	5.92%	9/25/2025	40,848.00		
Total INTEREST		16,185,000.00					352,746.76		0.00
MATURITY									
7/11/2024	7/11/2024	5,315,000.00	912797GB7	US TREASURY BILL	0.00%	7/11/2024	5,315,000.00		
7/19/2024	7/19/2024	2,160,000.00	62479LGK5	MUFG BANK LTD/NY COMM PAPER	0.00%	7/19/2024	2,160,000.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
MATURITY									
7/19/2024	7/19/2024	2,160,000.00	63873JGK0	NATIXIS NY BRANCH COMM PAPER	0.00%	7/19/2024	2,160,000.00		
Total MATURITY		9,635,000.00					9,635,000.00		0.00

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- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

TO: Finance Committee of the Salem City Council and the Urban
Renewal Agency of the City of Salem

THROUGH: Josh Eggleston, Chief Financial Officer

FROM: Jennifer Mattecheck, Chief Accountant

SUBJECT:

Development and implementation of self-funded Paid Leave Oregon (PLO) plan.

ISSUE:

Overview of the City's self-funded PLO insurance program that will replace the current PLO plan administered by the State of Oregon.

RECOMMENDATION:

Information Only

SUMMARY:

PLO is a family, medical, and safe leave insurance program that was created to provide eligible individuals compensated time off from work for certain qualifying purposes. The program is mandated by ORS Chapter 657B and is administered by the State of Oregon (State). The State allows required employer participants to opt out of the State administered plan if the employer implements an equivalent program. Employers must obtain approval from the State prior to implementing an equivalent plan. The City's Human Resources (HR) Division has determined it would be highly beneficial to implement a self-administered program and opt out of the State administered program. In addition to submitting an application to the State, the City's Human Resources (HR) Division, Finance Department, and Information Technology (IT) Division will need to work collaboratively to ensure the program is implemented and accounted for appropriately.

FACTS AND FINDINGS:

Through policy review and cost-benefit analysis, the City's HR Division has determined it is in the City's best interest to develop and implement a self-funded PLO program. The benefits of a self-funded PLO program administered by the City as opposed to the State administered include:

1. Estimated annual cost savings of \$685,000 for the City of Salem and \$21,000 for Salem House Authority.
2. Increased visibility to available funds and other program related balances.
3. Improved monitoring and reporting capabilities.
4. Strengthened employee relations as the HR Division will be the sole point of contact for employees participating in the program.

5. Better experience for City employees participating in the program as responses and payouts will be more timely through a City administered program compared to the program administered through the State.

In order to proceed with implementing the City administered program, the following actions will need to be completed:

1. The City's HR Division will submit an application to the State and pay the \$250 application fee and renewal fee for the first three (3) years of the program.
2. The City's Finance Department will determine if a separate bank account is required for maintaining program funds and will request a new bank account be opened with our current banking service provider, if needed.
3. The City's Finance Department, IT Division, and HR Division will update the City's financial accounting system to accurately reflect the accounting of the program.
4. The City's HR and IT Divisions will update the payroll system to reflect the program changes, which is connected to the financial accounting system.
5. The City's Finance Department will ensure the program is accurately accounted for in the annual financial statements, including confirming all related disclosures and footnotes included in the annual statements are updated appropriately.
6. The City's HR Division and Finance Department will develop and implement recurring procedures that address monitoring and compliance needs, such as monthly fund reconciliations and program reporting deliverables.
7. The City's HR Division will develop a communication plan to inform City employees of the change, including instructions for participating in the leave plan.

The City's HR Division intends to apply for opting out of the State's program on March 1, 2025. The anticipated review processes completed by the State is expected to take thirty (30) days and the City expects the new PLO program to be in effect as of April 1, 2025. Updates to the City's system applications will need to be tested prior to official implementation. The City anticipates completing the system updates and testing throughout the months of January and February 2025 and will focus on defining and document recurring procedure during March 2025.

BACKGROUND:

Please see attachments for additional background.

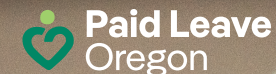
Attachments:

1. Paid Leave Oregon Program Overview
2. Paid-Leave-Model Notice
3. Paid-Leave-OFLA-FMLA-Chart
4. League of OR Cities -Paid Leave Oregon 101 Presentation

Who pays for Paid Leave Oregon?

Paid Leave Oregon is a program we all pay into and benefit from. Here's how contributions work:

- The contribution rate will not be more than 1% of wages.
- Employees pay 60% of the contribution rate, no matter the employer size.
- Employers with 25 or more employees pay 40% of the contribution rate.
- Small employers with fewer than 25 employees are not required to contribute. Assistance grants are available.



Paid Leave Oregon

**Have questions?
We're here to help.**



Visit our website: paidleave.oregon.gov
Email us: paidleave@oregon.gov
Call us: 833-854-0166

Peace of mind when it matters most.

Paid Leave Oregon is a new program that allows employees in Oregon to take paid time off for many of life's most important moments.



Paid leave to care for yourself and those you love

Types of leave covered



Family Leave: to care for a family member with a serious illness or injury, or to bond with a new child after birth, adoption or foster care placement.



Medical Leave: during your own serious health condition.



Safe Leave: for survivors of sexual assault, domestic violence, harassment, or stalking.

When will the Paid Leave Oregon program start?



Contributions start in January 2023. Employees can start applying for benefits in September 2023.

Who's covered?

Any employee, no matter how many hours you work, who earned at least \$1,000 in the year before claiming paid leave may be eligible. This includes agricultural employees and those who may use an Individual Taxpayer Identification Number to file their taxes. Tribal governments, those who are self-employed, and independent contractors may choose to participate, but are not required.

What benefits are included for Oregon employees?

- You can take up to 12 weeks of paid leave per year (up to 14 weeks for pregnancy-related medical leave).
- You can take your leave when you need—a day, week or month at a time.
- If you've worked for your employer more than 90 days, then your job is protected. Your employer cannot penalize you for taking time off.
- The benefit amount you get paid will depend on your wages and income. Visit our website for more details.
- Many employees will have 100% of their wages covered.



What you need to know

Starting in September 2023, Paid Leave Oregon will serve most employees in Oregon by providing paid leave for the birth or adoption of a child, a serious illness of yours or a loved one, or if you experience sexual assault, domestic violence, harassment, or stalking.

What benefits are provided through Paid Leave Oregon and who is eligible?

Employees in Oregon that have earned at least \$1,000 in the prior year may qualify for up to 12 weeks of paid family, medical or safe leave in a benefit year. While on leave, Paid Leave Oregon pays employees a percentage of their wages. Benefit amounts depend on what an employee earned in the prior year.

Who pays for Paid Leave Oregon?

Starting on January 1, 2023, employees and employers contribute to Paid Leave Oregon through payroll taxes. Contributions are calculated as a percentage of wages and your employer will deduct your portion of the contribution rate from your paycheck.

When do I need to tell my employer about taking leave?

If your leave is foreseeable, you are required to give notice to your employer at least 30 days before starting paid family, medical or safe leave. If you do not give the required notice, Paid Leave Oregon may reduce your first weekly benefit by 25%.

How do I apply for Paid Leave?

In September 2023, you can apply for leave with Paid Leave Oregon online at **paidleave.oregon.gov** or request a paper application from the department. If your application is denied, you can appeal the decision with the Oregon Employment Department.

What are my rights?

If you are eligible for paid leave, your employer cannot prevent you from taking it. Your job is protected while you take paid leave if you have worked for your employer for at least 90 consecutive calendar days. You will not lose your pension rights while on leave and your employer must keep giving you the same health benefits as when you are working.

How is my information protected?

Any health information related to family, medical or safe leave that you choose to share with your employer is confidential and can only be released with your permission, unless the release is required by law.

What if I have questions about my rights?

It is unlawful for your employer to discriminate or retaliate against you because you asked about or claimed paid leave benefits. If your employer is not following the law, you have the right to bring a civil suit in court or to file a complaint with the Oregon Bureau of Labor & Industries (BOLI). You can file a complaint with BOLI online, via phone or email:

Web: www.oregon.gov/boli

Call: 971-245-3844

Email: help@boli.oregon.gov

Learn more about Paid Leave Oregon

Web: paidleave.oregon.gov

Call: 833-854-0166

Email: paidleave@oregon.gov

Program Comparison

- Paid Leave Oregon
- [Oregon Family Leave Act \(OFLA\)](#)
- [Family and Medical Leave Act \(FMLA\)](#)
- [Oregon Sick Leave](#)

Paid Leave Oregon and the Oregon Bureau of Labor & Industries created this chart as a general program comparison. It is not intended to provide legal or financial advice and does not cover all possible exceptions. Each program has different qualifications and factors that determine eligibility.

Contact each agency directly to determine eligibility for their programs.

ELIGIBILITY REQUIREMENTS	Paid Leave Oregon	OFLA	FMLA	Oregon Sick Leave
Covered Employers	All employers except federal or tribal governments	Employers with 25 or more employees	Employers with 50 or more employees and all public employers	All employees are eligible for protected unpaid time
Wages required to be eligible for leave	\$1,000 in wages the previous year	n/a	n/a	n/a
Required time worked for employer before taking leave and before job protection applies	No work time requirement for Paid Leave benefits, but must have worked 90 days to have job protection	180 days	12 months	90 days
Required hours worked for employer to be eligible for leave	n/a	25 hrs/week in past 180 days. <i>Does not apply to parental leave</i>	1,250 hours in previous 12 months	1 sick time hour earned for every 30 hours worked
Geographic requirement	n/a	n/a	Location with 50 employees within 75 miles	n/a
Eligibility requirement				
Not a requirement				

QUALIFYING PURPOSES	Paid Leave Oregon	OFLA	FMLA	Oregon Sick Leave
Family Leave				
Birth, adoption or foster placement	Yes	Yes	Yes	Yes
Family member's serious health condition <i>(family member definitions vary)</i>	Yes	Yes	Yes	Yes
Medical Leave				
Individual's own serious health condition	Yes	Yes	Yes	Yes
Safe Leave				
Domestic violence, sexual assault, harassment or stalking	Yes	No <i>Serious health condition and reasonable safety accommodations under ORS 659A may include leave.</i>	No	Yes
Other Leave Types				
Extended leave for a pregnancy* <i>*In addition to leave for serious health condition</i>	Yes	Yes	No	No
Sick child leave	No	Yes	No	Yes
Military family leave	No	Yes	Yes	No
Bereavement leave	No	Yes	No	Yes
Public health emergency	No	Yes Active Public Health Emergency allows for sick child leave for school/child care closures	No	Yes
Covered				
Not Covered				

LEAVE DURATION AND BENEFIT PAYMENTS	Paid Leave Oregon	OFLA	FMLA	Oregon Sick Leave
Leave duration <i>(most cases)</i>	12 weeks in a one-year period	12 weeks in a one-year period	12 weeks in a one-year period	40 hours in a one-year period
Maximum leave duration <i>(for certain combinations of leave types)</i>	14 weeks in a one-year period	36 weeks in a one-year period	26 weeks in a one-year period	Employers may cap use at 40 hours per year
Payment	Paid Leave	Unpaid Leave	Unpaid Leave	Paid Leave for employers with 10 or more employees <i>(6 or more in Portland)</i>
Benefit amount	Varies based on employee's average weekly wage. Up to 100% for lower-income workers.	n/a	n/a	100% of regular wages

The Absence That Isn't Likely to Make Your "Heart" Grow Fonder: The Latest on Oregon Paid Leave Law

Presented by:
Pamela Bowles, HR Consultant



1

Agenda

- What is Paid Leave Oregon
- Eligibility & Coverage
- Funding & Reporting Wages
- Employer size – small or large?
- Equivalent Plans
- Intersection of other leaves
- Employer Notifications



2

This information is what we know as of today

- Many processes have not been figured out or finalized
- Information is subject to change!!



3

What is Paid Leave Oregon (PLO)

Paid Leave Oregon is a **family, medical, and safe** leave insurance program that was created to provide eligible individuals compensated time off from work for certain qualifying purposes. (ORS Chapter 657B)



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Oregon Joins 12 Other States Having a Paid Leave

Delaware	• Benefits start January 2026
Maryland	• Benefits start January 2025
Colorado	• Benefits start January 2024
Oregon	• Benefits start September 2023
Connecticut	• Benefits started January 2022
Massachusetts	• Benefits started January 2021
Washington DC	• Benefits started July 2020
Washington	• Benefits started January 2020
New York	• Benefits started January 2018 ✓
Rhode Island	• Benefits started January 2014 ✓
New Jersey	• Benefits started July 2009 ✓
California	• Benefits started July 2004 ✓

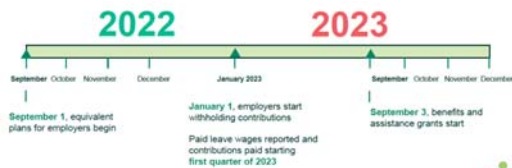


✓ Many evolved from existing state disability insurance programs



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Timeline



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Who is Covered?

Employers

- ALL employers with at least one employee working in Oregon

Workers

- ALL employees working in Oregon who meet eligibility requirements*

Elective Coverage

- Self-employed individuals and independent contractors
- Tribal Governments



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Collective Bargaining Agreement

- Section 49, Chapter 700, Oregon Laws 2019:
Nothing in section 1 to 51 of this 2019 Act (ORS chapter 657B) requires the reopening or renegotiation of a collective bargaining agreement entered into before the effective date on which the agreement expires.
- No contributions but also no benefits for those bargained employees
- Discuss with your Labor Attorney



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PLO Leave Eligibility

To be eligible for PLO benefits, an employee must have:

- Earned at least \$1,000 in wages in the year prior to taking leave*;
- Contributed to the PLO Fund in the base year or alternate base year;
- Experienced a qualifying event;
- Submitted an application for benefits; and
- Not receiving workers' compensation or unemployment insurance benefits during the same period the employee is seeking benefits

** PLO is a portable benefit. Employee does not have to earn \$1,000 from current employer. Most employees will be eligible for PLO day one.*



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What is Leave For?



- To take medical leave for an employee's own **serious health condition** or disabilities due to pregnancy
- To care for an "eligible family member" who has a **serious health condition**
- To **care and bond** with a child during the first year after birth, adoption, or foster care placement
- To take **safe leave** for an employee experiencing issues related to domestic violence, harassment, sexual assault, or stalking (safe leave)




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Serious Health Condition

(1) An illness, injury, impairment, or physical or mental condition that requires inpatient care in a hospital, hospice, nursing home or residential medical care facility;

(2) An illness, disease or condition that, in the medical judgment of the treating health care provider, poses an imminent danger of death, is terminal in prognosis with a reasonable possibility of death in the near future, or requires constant care; or



(3) Any period of disability due to pregnancy or period of absence for prenatal care



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Eligible Family Members

- Spouse or domestic partner
- Child or the child's spouse or domestic partner
- Parent or parent's spouse or domestic partner
- A grandparent or the grandparent's spouse or domestic partner
- A grandchild or the grandchild's spouse or domestic partner
- *(NEW) Sibling or stepsibling or the sibling's or stepsibling's spouse or domestic partner*
- *(NEW) Anyone related by blood or affinity whose close association is the equivalent of a family relationship*

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Job Protection and Benefit Continuation

Employee has the right to return to their prior job, similar to OFLA protections

- The employee must have worked for employer for 90 days
- Reinstated to same or equivalent position and pay
- Employer with fewer than 25 employees have more flexibility if the position no longer exists
- Employee will not lose seniority or other benefits, including healthcare benefits



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How Much Time Can be Taken?

Up to **12 weeks** of paid leave per benefit year for medical, family or safe leave

- Additional **two weeks** of paid leave for pregnancy, childbirth or a related medical condition;
- Additional **four weeks** of unpaid leave for other OFLA protected reasons



Leave can be taken intermittently –
Guidance is expected soon



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Benefit Year

- PLO will use a rolling forward benefit year
 - **52 weeks start** with the first Sunday prior to the date the employee starts leave.



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PLO Benefit



- 100% up to 65% of State Average Weekly Wage (SAWW)
- 2023 SAWW: \$1,224.82
 - Minimum Benefit: 5% of SAWW - \$61.24
 - Maximum Benefit: 120% of SAWW - \$1,469.78
- Employee earning up to \$796.13/week or \$41,398.76/year will receive 100% of weekly earnings
- Recalculated every July 1st
- Benefits paid within two weeks after approval



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Example of Payroll Contributions

	Annual earnings (Weekly earnings)	Annual employee Paid Leave contributions	Annual employer Paid Leave contributions	One week's Paid Leave benefits
Minimum wage employee:	\$28,080 (\$540)	\$168.48	\$112.32	\$540 *
Median income employee	\$67,058 (\$1,299.58)	\$402.35	\$268.23	\$1,031.69
High income employee	\$132,900 or more (\$2,555.78 or more)	\$797.40	\$531.60	\$1,428.56



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Supplemental Benefits

- Employers may permit employee to top-off PLO benefit with sick time, vacation leave, or any other paid leave earned
- Consider creating a policy if allowing use of accrued leave



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PLO Benefit Administration

- Employee will apply online with the OED
 - Verify identity
 - Info about employer, days worked
 - Date of leave and duration
 - Type of leave
 - Verification of reason for leave
- Submit weekly leave report

Additional Information: Benefits: OAR 471-070-1000 through 471-040-1460



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Funding of Paid Leave Oregon

Contributions (aka Payroll Tax!)

- Contribution rate to be set by OED by November 2022
 - Maximum rate is **1% of employee wages**, up to \$132,900 in wage
- Contributions begin January 1, 2023
 - Employees will pay **60%** of employee's wages (*max \$797.40/yr*)
 - **Large Employers** will pay **40%** of employee's wages (*max \$531.60/yr*)
 - **Small Employers** payments are optional
- Contributions will be sent with first quarterly tax report for 2023



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What is Considered Wages?

- Wages
- Compensatory Pay
- Commission
- Holiday, vacation pay, paid time off, sick pay, stand-by pay
- Bonuses, fees and prizes in consideration of production or performance
- Wages paid during a disability period (not WC)
- Gifts



Additional Information OAR 471-070-0415 through 471-070-0465



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Wages Do Not Include

- Pension
- Jury Pay
- Benefits paid through a cafeteria plan
- Reimbursement for meal/travel expenses and mileage



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Out-of-State Employees

- Both states consider the physical location where the work is performed – "Place of Performance" or "Localization"
- **Where is the work performed?**
 - If all work is physically performed in that state, wages and hours are reportable to that state
 - If work is performed in multiple states with **regularity** (on a scheduled basis), look to the base of operation
 - If directed and controlled from Oregon, wages are report to Oregon
 - If directed and controlled from Washington, wages are reported to Washington
 - If directed and controlled elsewhere, pay to the state where the employee resides



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Work from Home Examples

- Intermittent
 - Employee works from home in Washington but intermittently comes to the Oregon office – pay to Washington Paid Family & Medical Leave program
- Scheduled
 - Employee works from home in Washington but is scheduled to be in the Oregon office 1 day per week – pay to Paid Leave Oregon program



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Out-of-State Resources

For additional information:

- OAR 471-3100 Contribution: Place of Performance; and
- Joint Notice:

<https://d31hzhk6di2h5.cloudfront.net/20221013/d3/ef/74/33/98b9e1a57ae5d106b711d010/WA-OR-Place-of-Performance-Letter-October-2022.pdf>



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- Replaced Oregon Payroll Reporting System (OPRS) and the Employer Account Access (EAA) portal
- Supports both Unemployment Insurance and Paid Leave Oregon
- Employers will report PLO premium in the first quarter of 2023
- Does HR have access to Frances?
 - Employer will need to add HR to the account as an Authorized User to allow access to the account to verify information related to leave status and other details

<https://www.oregon.gov/employ/modernization/Pages/Frances-Online.aspx>



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PLO and PERS

Paid leave program	Definition	Payments treated by PERS as	Service time earned during leave?
State-run plan	The Paid Leave Oregon plan. Payments are made by the Oregon Employment Department.	Non-subject salary. Do not report payments to PERS.	No.
Employer-run equivalent plan	Your own plan, approved by the Oregon Employment Department, that provides benefits that are equal to or greater than the benefits Paid Leave Oregon provides. Payments are made directly by your organization.	Subject salary. Report payments to PERS.	Yes. Specific reporting guidance will be provided before program begins.
Third party-run equivalent plan	Your own plan, approved by the Oregon Employment Department, that is contracted through a third party. Payments are made by the third party (e.g., an insurance company).	Non-subject salary. Do not report payments to PERS.	No.

<https://www.oregon.gov/pers/EMP/Documents/Employer-Publications/Employer-Newsletters/2022/Employer-Newsletter-Sept-2022.pdf>

* Disclaimer: CIS does not give PERS advice. Contact PERS directly with any questions.



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Are You a LARGE or SMALL Employer?

Employee count is **TOTAL** head count

- Numbers provided on the Oregon Quarterly Tax Report or the Oregon Annual Report, and is the sum of:
 - The number of employees with PLO wages (FT, PT, Seasonal, temporary); and
 - The number of out-of-state employees

Note: Leased/temporary employees are included except those filling in for an employee on leave)

Additional Information OAR 471-070-3150

<http://records.sos.state.or.us/ORSOSWebDrawer/Recordhtml/8582113>



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Employee Count Exceptions

Employee count does not include:

- Replacement employees hired to temporarily replace eligible employees during leave;
- Independent Contractors as defined in ORS 670.600;
- Participants in work training programs administered under state or federal assistance programs;
- Participants in a work-study program that provides students in secondary or post secondary educational institutions with employment opportunities for financial assistance or vocational training;
- Railroad workers exempted under the federal Railroad Unemployment Insurance Act; and
- Volunteers



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What If I Don't Know?

- Employers who are unsure of employee size may set aside employer premiums. OED will use employer's payroll reports from January-March 2023 (Quarter 1) to make an official determination and **notify employers by June** if they have to pay premiums.
- Employers will find detailed instructions in the upcoming combined payroll-reporting guide as well as in the upcoming employer guidebook.



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When is Employer Size Determined?

Employee count is based on numbers provided on the Oregon Quarterly Tax Report

2023 Calendar Year

- Determined by April 30, 2023
- Average employee count first quarter of 2023 will determine size employer for entire 2023

2024 Calendar Year

- Determined by Sept 30, 2023
- Average employee count first and second quarter of 2023 will determine count for entire 2024

2025 Calendar Year and after

- Determined by Sept 30 of each year
- Average employee count reported for the preceding four completed quarters.

Don't fret - OED will determine employer size and send a notice!



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Small Employer Assistance Grants

- Eligible for a \$3,000 grant towards cost of hiring a replacement worker
 - 10 grants per year, one per employee
- Up to \$1,000 to reimburse for significant additional wage-related costs incurred



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Assistant Grant Eligibility

- Employer is defined as a small employer
- Completes an assistant grant application and submit required documentation within time frame (TBD);
- Must have an employee on an approved leave by OED for more than seven or more working days;
- Commit to pay employer contributions for eight (8) calendar quarters;
- Don't have any delinquent PLO contribution reports, contributions and has no unpaid penalties or interest

Additional information: OAR 471-070-3710

<http://records.sos.state.or.us/ORSOSWebDrawer/Recordhtml/8582113>



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Equivalent Plans



- Must be as good or better and not provide a lesser benefits to the employee
- OED is finishing up rule making
- Begin submitting application starting September 1st (anticipate review process will take 30 days)
- \$250 application fee and renewal fee for first three years

<https://paidleave.oregon.gov/Documents/Program%20Resources/PFML-Equivalent-Plans.pdf>



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Types of Equivalent Plans

- **Employer Administered** – the employer assumes all financial risks associated with the benefits and administration of the plan, whether administered by employer or a third-party
- **Fully-insured Plan** – the employer purchases an insurance policy from an insurance company, and the benefits are administered through the insurance policy
 - Insurance company has to be approved by Dept of Consumer & Business Services



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Equivalent Plan Requirements

- Cover all Oregon employees (including part-time and temporary) who have been continuously employed at least 30 calendar days.
- Provide up to 12 weeks of paid family, medical, and safe leave per leave year (plus an additional two weeks for pregnancy and childbirth-related conditions), at a rate equal to or greater than that paid by the state program.
- Allow paid leave to be taken intermittently, one day at a time.
- Provide job protection rights to employees who have been employed at least 90 days.
- Cover employee health insurance benefits to the same extent as for employees who are not on leave.



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Equivalent Plan Comparison

	State Program	Self-Insured Equivalent Plan	Fully-Insured Equivalent Plan
Cost to Company	25+ employees: up to \$531.60 per employee per year (0.4% of \$132,600) Fewer than 25 employees: none	Depends on benefit amount used by employees	1% Premium + administrative fee + commission
Cost to employees	0.6% of employee's payroll, up to cap of \$797.40	Employer discretion but cannot cost employee more than state program	Possible premium increase at renewal. Not limited to 1%. Employer discretion but cannot cost employee more than state program
Benefit amount	Based on employee's average weekly wage and SAWW, up to \$1,469.78 per week	Can range from \$ amount of state benefit to fully paid	Based on SAWW or more (?)
Coordination of FMLA/OFLA	Employee can choose not to apply for benefits, so could get 12 weeks job protection through OFLA/FMLA, and then apply for state program	Can require paid leave and OFLA/FMLA to run concurrently	Can require paid leave and OFLA/FMLA to run concurrently Disability carrier can coordinate STD/LTD benefits
Administrative costs	Must make and collect contributions and administer OFLA/FMLA	Employer cost to apply for approval & renewal, administration of benefits (approval/leave/pay benefits) and administer OFLA/FMLA	Employer cost to apply for approval and renewal, collect and send contributions to carrier and administer OFLA/FMLA



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Equivalent Plan Deadline for 2023

- **Equivalent Plan Application**
 - Application available: **September 6, 2022**
 - Application deadline: **November 30, 2022** (for approved plan by January 1, 2023)
- **Declaration of Intent**
 - Declaration available: **September 6, 2022**
 - Declaration deadline: **November 30, 2022**
 - Extended deadline of the equivalent plan application: **May 31, 2023**

If denied or don't meet deadline, employer will be responsible for all contributions and any fees, penalties and interest due.



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Application and Guidebook

- **Application** - <https://paidleave.oregon.gov/DocumentsForms/Paid-Leave-EquivalentPlan-Application-Printable-EN.pdf>
- **Guidebook** - <https://paidleave.oregon.gov/Documents/Paid-Leave-Oregon-Equivalent-Plan-Guidebook-EN-September-2022.pdf>
- **Declaration of Intent to Obtain Approval of an Equivalent Plan** - <https://paidleave.oregon.gov/DocumentsForms/Paid-Leave-Declaration-Intent-Printable-EN.pdf>



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Employee Notification of Leave

- Employer may create a policy
 - Foreseeable – no employee notice requirement in the law
 - Unforeseeable – law requires employees to give oral notice within 24 hours and written notice within three (3) days after the start of leave.
- Employer notified via Frances
 - Notified when employee applies and notified when approved
 - Employee will receive notification to provide to employer



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Use of FMLA/OFLA

- Per statute, any family or medical leave taken under PLO **must** be taken concurrently with any leave taken by an eligible employee under the OFLA or FMLA
- Employer will not be notified of type of leave or for whom
- Still follow FMLA/OFLA notification requirements & request for medical certification
 - Designation Notice
 - Rights and Responsibilities



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Employee Paid Leave Notice

- Effective January 1, 2023, employers must provide written notice to employees
 - <https://paidleave.oregon.gov/DocumentsForms/Paid-Leave-ModelNotice-Poster-EN.pdf>
- Post notice in each building or worksite frequented by employees
- Electronically or by mail for remote workers



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Discrimination and Retaliation

- It is an unlawful employment practice to discriminate against an eligible employee who has invoked any provision of ORS chapter 657B or this rule
- An employee who alleges a violation of any provision of ORS chapter 657B or this rule may bring a civil action under ORS 659A.885 or may file a complaint with the Commissioner of the Bureau of Labor and Industries in the manner provided by ORS 659A.820

Statutory/Other Authority: ORS 657B.340
Statutes/Other Implemented: ORS 657B.060, 657B.070



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Action Items

- Start communicating to employees
<https://paidleave.oregon.gov/employees/Pages/default.aspx>
- Prepare to post or mail notice no later than **January 1, 2023**
<https://paidleave.oregon.gov/DocumentsForms/Paid-Leave-ModelNotice-Poster-EN.pdf>
- Notify payroll or payroll vendor and coordinate deductions to start **January 1, 2023**
- Educate managers about new law
- Review and revise leave of absence policies
 - Notification requirement (foreseeable and unforeseeable) & description of penalty)
 - FMLA/OFLA run concurrently
 - Use of accrued leave (type, order, etc.)



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Paid Leave Oregon Info

- Website: Oregon.gov/gov/employ/PFMLI
- Email: PaidLeave@Oregon.gov
- Submit a request: <https://paidleavecontact.oregon.gov/hc/en-us/requests/new>
- Phone: 503-370-5800
- Paid Leave Oregon newsletters:
<https://paidleave.oregon.gov/Pages/default.aspx>
- Program Resources (for Employers):
<https://leave.oregon.gov/Pages/resources.aspx>
- Community Sessions: <https://paidleave.oregon.gov/get-involved/Pages/default.aspx>



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Paid Leave Oregon Resources

- Paid Leave Oregon Program Overview
<https://www.oregon.gov/employ/PFMLI/Documents/Program%20Resources/Paid-Leave-Overview-English.pdf>
- Contributions Fact Sheet
<https://www.oregon.gov/employ/PFMLI/Documents/Program%20Resources/Contributions-Fact-Sheet-EN.pdf>
- Benefits Fact Sheet
<https://www.oregon.gov/employ/PFMLI/Documents/Program%20Resources/Benefits-Fact-Sheet-English.pdf>
- Equivalent Plans Fact Sheet
<https://www.oregon.gov/employ/PFMLI/Documents/Program%20Resources/PFMLI-Equivalent-Plans.pdf>
- Frequently Asked Questions
– <https://paidleave.oregon.gov/employers/Pages/frequently-asked-questions.aspx>



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Other Resources

- HB 2005
<https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/HB2005/A-Engrossed>
- OAR Chapter 471 – Division 70 - Paid Family Medical Leave Insurance
<https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=6880>



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